

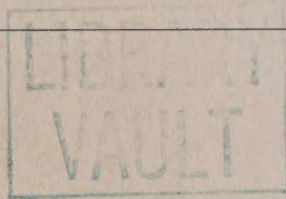
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THE ROYAL COMMISSION ON METROPOLITAN
DEVELOPMENT
OF EDMONTON AND CALGARY

DR. G. FRED McNALLY,
(Chairman)

G. M. BLACKSTOCK, Esq., Q.C.

PERCY G. DAVIES, Esq., Q.C.

IVAN C. ROBISON, Esq.

CHARLES P. HAYES, Esq.

DR. H. B. MAYO
(Consulting Economist)

Wm. McGRUTHER, Esq.
(Commission Secretary)

PROCEEDINGS

DATE March 3rd, 1955.

VOLUME 40.

The Court House

EDMONTON - ALBERTA

SUPREME COURT REPORTERS, EDMONTON

VOLUME 40

March 3rd, 1955

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Entering of Exhibits and Discussion 4923

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VOLUME 40

March 3rd, 1955

EXHIBITS

<u>No.</u>	<u>Description</u>	<u>Filed At</u>
209E	Document headed "Taxation of Civic Utilities"	4923
210E	Document entitled "A comparison of Water Rates, Consumption & Number of consumers in the City of Edmonton, for the period 1937-1954"	4923
211E	Document entitled "Statistics for Metropolitan Commission Report, Power Plant only for year 1953"	4923
212E	Clover Bar School District financial data	5047
213E	Strathcona Municipal District financial data	5048

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Entering of Exhibits.
Discussion

- 4923 -

THE SITTINGS OF THE ROYAL
COMMISSION ON METROPOLITAN
DEVELOPMENT OF CALGARY AND
EDMONTON, held at the Court
House, Edmonton, Alberta,
on Thursday, the 3rd day of
March, A.D. 1955, at 9:45 a.m.

THE CHAIRMAN: Yes, Mr. Garside?

MR. GARSIDE: Mr. Chairman, first I would like to file
three exhibits, the first one is headed "Taxation
of Civic Utilities".

THE CHAIRMAN: Mr. McGruther, 209E?

MR. McGRUTHER: Yes.

DOCUMENT HEADED "TAXATION OF CIVIC
UTILITIES" IS ENTERED AND MARKED
EXHIBIT 209E.

MR. GARSIDE: The second one is entitled "A Comparison
of Water Rates, Consumption and Number of Consumers
in the City of Edmonton, for the period 1937-1954".

THE CHAIRMAN: Exhibit 210E.

DOCUMENT ENTITLED "A COMPARISON OF
WATER RATES, CONSUMPTION AND NUMBER
OF CONSUMERS IN THE CITY OF EDMONTON,
FOR THE PERIOD 1937-1954" IS ENTERED
AND MARKED EXHIBIT 210E.

MR. GARSIDE: The next one is "Statistics for
Metropolitan Commission Report, Power Plant only
for year 1953".

THE CHAIRMAN: Exhibit 211E.

DOCUMENT ENTITLED "STATISTICS FOR
METROPOLITAN COMMISSION REPORT, POWER
PLANT ONLY FOR YEAR 1953" IS ENTERED
AND MARKED EXHIBIT 211E.

- 4022 -

THE SITTING OF THE NOVA
COMMISSION OF INVESTIGATION
ON THE CASE OF THE
LONDON, held at the Court
House, London, Alberta,
on Thursday, the 2nd day of
March, A.D. 1935, at 9:15 a.m.

THE CHAIRMAN: Now, Mr. Gosselin,
Mr. Gosselin: Yes, Mr. Chairman, I would like to file
these exhibits, the first one is headed "Exhibit
of this investigation".

THE CHAIRMAN: Mr. Gosselin, 2022
Mr. Gosselin: Yes.

DOCUMENT HEADLINE REVISION OF 1935
REVISION IN 1935 AND 1936
REVISION 1937

Mr. Gosselin: The second one is entitled "A Comparison
of Water Rates, Consumption and Number of Consumers
in the City of Edmonton, for the period 1937-1938".
THE CHAIRMAN: Exhibit 202.

COMPARISON OF WATER RATES, CONSUMPTION AND NUMBER OF
CONSUMERS IN THE CITY OF EDMONTON,
FOR THE PERIOD 1937-1938
AND WATER RATES 1939

Mr. Gosselin: The next one is "Exhibit 203"
Metropolitan Commission Report, Power Plant No. 1
for year 1939.

THE CHAIRMAN: Exhibit 203.

REPORT OF METROPOLITAN COMMISSION FOR
METROPOLITAN COMMISSION REPORT, POWER
PLANT NO. 1 FOR YEAR 1939
AND WATER RATES 1939

9-K-2
Entering of Exhibits.
Discussion.

- 4924 -

MR. GARSIDE: As to Exhibit 201E, there were not sufficient copies so we have had more made, sir, that's "Classified statement of Building Permits".

MR. BLACKSTOCK: 201?

MR. GARSIDE: 201E, yes, sir.

MR. MOFFAT: Mr. Chairman, I think I might make just one short comment on 209E which is Commissioner Hodgson's report with respect to the taxation of civic utilities dated April 23rd, 1937.

You will notice that on the second page at the bottom there is a note by the Treasurer's Department dated March 1st, 1955. Now, that was not part of the original report, of course, that's a note that was added by the city treasurer to explain what happened since. The top part of that sheet and the front sheet is the original report.

MR. DAVIES: Mr. Moffat, the assessment was changed again to '54 from '53, I think it was up to seventeen and a half million in 1954, isn't it, the assessment of utilities.

MR. MOFFAT: I don't think so, sir.

MR. DAVIES: The last statement we had was the figure given by Mr. Hodgson and Mr. Garside at ten and a half million, that's for the utilities at two and a half million each.

MR. MOFFAT: That was put in in 1952, that figure, that's shown at the bottom of the page here.

MR. DAVIES: And the street railway, the transit system is five hundred thousand, but, I had it somewhere else that it's up now in 1954 to seventeen,

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MR. DAVIES: (Cont.) I had it yesterday, seventeen and a half million.

MR. MOFFAT: Not that I am aware of, and certainly the City Treasurer Mr. Plowman when he prepared the note at the bottom, it was on the understanding that that would bring the thing completely up to date.

MR. DAVIES: I will just check up on that. You think it's still ten and a half million.

MR. MOFFAT: Yes, yes, that's my understanding.

MR. ROBISON: That's what my understanding is too, but I may be wrong.

DR. HARRIES: That's what they have used in all the exhibits for '54, sir.

MR. ROBISON: My interest in this was what would the situation be if these utilities were assessed on the same basis as privately owned property and the mill rate applied to them. Now, that's impossible, I suppose, for this Commissioner to obtain because it would require an enormous amount of work to assess those on an objective basis.

MR. MOFFAT: Yes, I did it the reverse direction and it may be worth putting the figure on the record. I added up the total of the amount now paid on this ten million five assessment plus the amount paid on the 5% revenue tax; took that total and then calculated what assessment would have been necessary to yield that amount at 53 mills, and the answer is between 25 and 26 million dollars. Now, that doesn't say that 25 or 26 million dollars is a proper assessment, but it gives at least one first

9-K-4
Discussion
R. E. Moffat - Garside Ex.

- 4926 -

MR. MOFFAT: (Cont.) approximation to what size of an assessment you would have to have to yield the same revenue.

MR. ROBISON: I remember Mr. MacDonald the former city assessor in giving evidence stated that he thought a figure to shoot at would be, for assessment purposes, between 20 and 25 million dollars.

MR. MOFFAT: Yes.

MR. DAVIES: So what the effect would be, it would siphon off some of this surplus into taxation, it's a bookkeeping entry really.

R. E. MOFFAT, recalled on his former oath, testified as follows:

MR. GARSIDE EXAMINES THE WITNESS:

Q Mr. Moffat, would you mind going to the map again for a moment or two. In the evidence you have already given you dealt with the trends of building and pressure of population in the metropolitan area outside the boundaries of the present city, but I don't think you dealt with the population pressure and build-up within the city.

A No, that's correct, except incidentally to the other.

Q Would you mind dealing with that a little bit more as to where in your opinion the trends of building will occur, and roughly speaking, in what order?

A We have had the evidence of Mr. Dant; we had the evidence of Mr. McConnell of the Builders' Association; we had the evidence of Mr. Reid, and I thought it might be worthwhile to just summarize my impressions of what they add up to.

A (Cont.) This area here to the south and east is building up so that by the time that this year's program is completed there will only be a small area in the extreme south east corner, and it will be filled up next year under the present build-up.

In the extreme south west on the north side of the river development is going ahead fairly rapidly right now, but Mr. Reid's evidence was that there was approximately a thousand lots still down in that area, and then in the Terrace Heights area there are apparently about 2500 lots, this is the new area that was just brought within the city limits about a year ago. Work is starting in there, but it will not be very far advanced on this year's program of construction, but the lay-out work is going ahead. There are approximately 2500 lots in there, in other words, approximately a one year's program to complete that.

THE CHAIRMAN: In the south east corner, is that a thousand on the west and 2500 here, and could you make an estimate roughly of the lots available in that corner?

A About eight hundred.

THE CHAIRMAN: Eight hundred.

A And the majority of these will be in this year's program, so that by the time this year's program is completed, it will be down to a fairly small number.

THE CHAIRMAN: And is development going on in the west side this year, will that be filled up in the 1955 program?

South 2

But by the time that this was

completed there will only be a small

the extreme south east corner and it will

for next year under the present conditions

in the extreme south west of the country

side of the river development is being made

right right now, but the latter evidence

is approximately thousand

even, and the in the future

a "trend" of not 10,000, but

a just trend towards the south

in a year ago. That is, it is not

will not be very far in

program of construction, but it is

ing ahead. There are approximately

that, in other words, approximately

to complete that.

and on the west and 25 miles

a estimate roughly of the total

State boundary

of them will be in this year

it by the time this year's program

will be down to a fairly small amount

is present policy on the west

filled up in the 1950

A You mean in what you call the Laurier Park area?

THE CHAIRMAN: The thousand lots?

A No, not the '55 program, this quarter section at the extreme south of that area will still be there after this year's program is completed.

THE CHAIRMAN: You estimate this year's program will take care of 2500 lots?

A Somewhere in that neighborhood, between 2500 and 3000.

THE CHAIRMAN: You have only 800 down there, where are the rest?

A One project is this Lauderdale site north of the track just west of 97th Street.

THE CHAIRMAN: Roughly how many lots there?

A Approximately 300, I think, somewhere in that range.

THE CHAIRMAN: I just was curious to know, you see, the thing that you had been seeking to build up in our minds, or many of the witnesses have been, is that there are population pressures or will develop in the next two years within the city as at present constituted.

A Yes, that's the point I was going to lead up to on this discussion, as a matter of fact, that those areas which we have now discussed, the Laurier Park area; the Lauderdale area; the south east corner of the city and the Terrace Heights area are reasonably good building areas, and indications are that this year's program and next year's program will thoroughly use them up, and that will leave then what we have been referring to as the green belt area north of

no more you will

The other side of the

the 155 program, this program

south of that area will, and

the program is complete.

CHAIRMAN: You estimate that the cost of the

of 2500 jobs?

where in that neighborhood, and

You have only 200 jobs there

One project is this land area

at just west of 97th Street

MAN: Roughly how many jobs

approximately 150, the cost of the

I just was sure

and the results are

any of the witnesses have

CHAIRMAN: I am not sure

and with

MAN: I was going

of 1500 jobs

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A (Cont.) 132nd, and to some extent between 132nd and 127th in the area east of 97th. I don't think there is much need to repeat very much what has been said about it. It could be developed, but it's an area which everyone seems to agree will be much less desirable than areas outside, so that for practical purposes you are forced to a decision whether to go into a less desirable area within two years. Now, if you are going to make construction work within two years, then planning work has got to start that much ahead of that.

THE CHAIRMAN: Yes.

A Now, if the decision should be the other way and it should be to open up this north side area, then that gives you approximately another two years, which means that the planning work could be delayed for maybe two to three years from the present, and the construction would be four to five years from the present, but in view of the history of these kinds of things, it is perfectly obvious that any change in boundaries should be made in time to give time for the planning to get underway, and I think it's past due now, the time when some decision should have been made as to whether the city has to think in terms of its present boundaries only or whether it should go outside, and I think my opinion has been pretty clearly established that I think the decision should be as quickly as possible made to give one body the authority to select which areas it will go into and not be restricted by the existing boundaries.

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MR. BLACKSTOCK: Mr. Moffat, there appears to be a vacant area in the south east corner of the present city boundaries.

A South east?

MR. BLACKSTOCK: South east?

A Yes.

MR. BLACKSTOCK: What is that?

A That's industrial.

MR. BLACKSTOCK: I mean further over?

A This is zoned industrial also.

MR. BLACKSTOCK: All industrial?

A Yes, it's along the railway line and is developing industrial purposes fairly quickly. It doesn't appear as subdivided on the map because it was recently added into the city, but the subdivisions have been laid in and it is developing industrial.

Q MR. GARSIDE: Mr. Moffat, so that if Mr. Reid's estimate of supply of building lots for five years were assumed to be correct, you still consider that it's an urgent need to have the boundaries changed as soon as possible?

A Yes, if the building lots would all be used within five years, then certainly we should have had before this a decision as to whether the new plans were to be developed in this direction and by who, and what attitude was to be taken of it, as five years is a very short period to lay out that kind of an idea.

Q I would like to ask your views at this time as to what in your opinion would happen should a depression strike this area, and the result of which would be

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- 4931 -

Q (Cont.) probably a decline in employment in the factories and industrial plants?

A Well, there are two aspects of that matter; one is the aspect which was discussed as to what it might do in the way of slowing down the rate of population growth, and I don't want to repeat that one, but another aspect of it which does seem worth bringing out in this discussion is that a repetition of the 30's or anything even approaching that sort of situation would create unemployment and a relief problem and a problem of collecting taxes on the residential areas, but would not do it to the same extent on the industrial areas because the bigger plants, particularly the ones with nation-wide connections and international connections would be much more likely to keep up their tax payments under those circumstances, and we would therefore be in a situation where the tax revenue arising out of this industrial area would likely hold up, but the tax revenue out of the residential area, some of it would fall into arrears; some of it would even go back, allowing it to go for taxes, and at the same time the welfare cost aspect of municipal services would go up very rapidly. That is an aspect of this matter which hadn't been mentioned up to the present, that this division leaving industry on one side and residential on the other would be quite serious from that point of view, assuming that we got into a serious depression.

A (Cont.) Now, anyone's judgment as to how serious a depression we might get into is another matter, but it's a clear fact, I think, from the period of the 30's that the residential areas particularly, what we have been calling the dormitory suburbs were in very, very serious conditions when that happened, and the area that had the industrial assessments had a more stable source of revenue.

Q Now, just before leaving this phase of the subject, I understand that Mr. Reid spoke of the lots along the north boundary of the present city boundaries to a distance of about half a mile south.

A Yes.

Q As being in the green belt?

A Yes.

Q And how many lots would you say would be in there?

A There are approximately three thousand in that area west of 97th Street and three thousand in that area east of 97th Street. The area east of 97th Street would be a little easier to develop than the area west of 97th Street.

Q When you speak of it being easier to develop what do you mean by that?

A Easier in the sense that drainage facilities could be put in more easily, particularly if the area to the north of Beverly is taken in with it because the drainage flows in that direction; whereas the area further west, the natural drainage is right down through the city, and easier to develop also in the sense that communication can be put in more easily

9-K-11

R. E. Moffat - Garside Ex.

- 4933 -

A (Cont.) because you don't have the break by the railway yards on getting crossings across the railway lines as serious east of 97th Street as you do west of 97th Street.

THE CHAIRMAN: Excuse me, Mr. Garside. Mr. Moffat, in the discussion that Mr. Reid had with us he mentioned these perhaps three or four developments of an experimental nature that were going forward this year to determine just what the buyer resistance would be. Are any of those in the north half?

A No.

THE CHAIRMAN: They are all in the south half?

A Actually it's one development with three or four contractors participating, it's all in one block.

THE CHAIRMAN: All in one block?

A Yes, but three or four contractors are participating in the thing and it's in the area just immediately north of the track west of 97th across to the built-up Calder area.

THE CHAIRMAN: Is it ^{all} called Lauderdale?

A I'm not sure what they call it, but it's the Lauderdale school that serves the area.

THE CHAIRMAN: All right, thank you.

Q MR. GARSIDE: Perhaps you might explain to the Commission the condition with respect to access roads from the north of the railway tracks?

A Well, there is a crossing at 97th Street and there is a crossing at 106th Street and then there is no more crossing until 124th Street because of the arrangement with the C.N.R., that gave them their

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STATION FOR 1901 WAS AT THE
END OF THE OLD RAILROAD
STATION EAST OF THE BRIDGE

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A (Cont.) switching yards. There is a blank area from 106th Street to 124th that is occupied by the railway switching yards.

Q What about the access east of 97th Street?

A I couldn't give you the detail to the same extent, except that there is no switching yard east, so that although the crossings are not there at the moment, it is possible to put them in. In the area to the west it is not possible to put them in because of the switching yards.

Q Now, assuming that the regulations in existence with respect to a green belt were observed, is it not true that this area in the green belt here could not be used for subdivision development?

A Yes, but I don't think anyone seriously argues that that green belt couldn't be changed if it was thought desirable to do it. The position is that in the interests of the community it would be better to go into other areas, but as far as the green belt is concerned, I think it is perfectly clear that the thing could be changed, but as long as it stays green belt, the regulation is that there is not supposed to be that kind of development in it.

DR. HARRIES: Mr. Chairman, I wonder if I might ask, is there anyone in the city who seriously contemplates keeping that area marked as green belt in its present form?

A Forever?

DR. HARRIES: Within the next year or two, let's not take forever.

A Yes, if other areas can be developed, but if the other areas cannot be developed, in other words, if they're not able to get down into here and down into here, then the green belt will have to be changed, there is no question about that, and everyone will agree. I don't think there's a single official over there who says that the green belt will be kept if the city is bound to its present boundaries. If they can't get housing accommodation outside of its present boundaries, then it will have to go into the green belt.

DR. HARRIES: You think that if they could get an area outside their present boundaries, that there is no doubt about it that the green belt will be maintained?

A On the west end, yes.

DR. HARRIES: The green belt as it is presently drawn?

A Oh, no, because if the north east corner is developed as a unit, then the green belt has to go out of the north east corner as well, because if this whole area is going to be developed, then the green belt is developed with it, but if the present boundaries stay, then the whole thing will have to be. It's a question of whether it is advisable to do it, but I quite agree with the suggestion that no one thinks they are bound by the green belt on the north side.

MR. ROBISON: How far as the crow flies from the east end of that green belt that might be developed residentially is it to the Canadian Chemical plant?

A From the east end?

MR. ROBISON: Yes.

A Approximately three miles as the crow flies, but you can't go that way because of the contours, and also you are fairly close to the stockyards, so that it would be another mile west of that before you could really expect too much residential, and then the road at the present time involves going down to 118th Avenue. Now, there is a suggestion that a shorter road could be put in, but there is no shorter road there at the present time, so that it would be approximately five miles by the present roads.

MR. ROBISON: Well, what relationship would there be in that area of 6,000 lots, assuming that they were to be all developed residentially, what relationship would there be between those lots and industry, in other words, I assume that there must be a relationship between residential development and industry of some kind.

A You mean as to the amount of area that would be required?

MR. ROBISON: Well, not only that, but what industry would these workers or people likely serve, would some of them work downtown and some of them work in the packing plants and some of them work out in Strathcona?

A It would be one of the areas, assuming that a road was put in on the east side of Beverly to get up into the area. Now, it's not there now, but assuming a road was put in, then that would be one of the areas that would have very easy communication into the industrial area, but it doesn't have it at the moment

- 4937 -

A (Cont.) because the road is not there.

MR. ROBISON: If a development, comparative development were put in just south of that, I think it's Terrace Heights down there?

A Yes.

MR. ROBISON: And you have the alternative of that other development for workers in the industrial area, where would they choose, in your opinion?

A Oh, in the area between 50th and 75th.

MR. ROBISON: Because of the proximity?

A Because of the proximity, but that will only hold about twelve thousand, fifteen thousand people in the area between 50th and 75th, and it's a question where they will go after that area is filled in, and then this is, this area north of Beverly and in the north, in the present east end of the green belt is one of the logical areas after that.

MR. ROBISON: There is nothing north and west of the city to pull workers into?

A No, except the new Inland Cement plant which will take a few when they develop.

MR. ROBISON: There is no major development in there?

A No.

MR. ROBISON: Development east by south east and with the possibility of it going up the river towards Fort Saskatchewan?

A That's correct.

Q MR. GARSIDE: Now, the next phase of the subject we were going to take up, Mr. Moffat, was the composition of the council of the --

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It's development, except

in just south of that I

town, here?

And you have the library

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ROBINSON: Because of the proximity

because of the proximity, but that

about twelve thousand, fifteen

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of the local area

ROBINSON: There is nothing north

kept the road in

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there is no reason to

MR. HAYES: Just a minute. I am interested there in the trend that these people go. Now, Mr. Moffat, I notice that 53, 24 and 91 there.

A Here, yes, north of Calder.

MR. HAYES: Those figures seem to be higher from what I can see, of any other of the surrounding areas that you speak of.

A No, sir, you have just east of --

MR. HAYES: Let's leave that, let's leave that, but to the west, to the east and the south there.

A Yes.

MR. HAYES: I am trying to reconcile my thinking to yours that this is not a trend, in other words, the people are already there, is that not right?

A Well, there are two groups up in there; there is the group along the St. Albert Trail in the tourist cabin type of operation, that's the 58 people here at the immediate north west corner of the city.

MR. HAYES: Now, in tabulating that, how do you tabulate, for instance, the tourist cabins, are those people that actually reside there.

A Yes, these are operators and the managers and so on.

MR. HAYES: I see.

A The information is given on Exhibit 97, and one thing that impressed me particularly on that section of those 58 people, if I remember my figures, there were only about three children among them. It was primarily adults operating tourist cabins and lunch counters and that kind of thing. It doesn't look, now, this may have been just purely an accident, it

A (Cont.) didn't look like a settled community with the normal number of children. That doesn't apply to the others, but it does apply to that particular section.

MR. HAYES: The children wouldn't be down in the city?

A Well, they were supposed to be giving the information as to the families that were living there, complete family units.

Now, this one next to Griesbach Barracks where there are 91 people, that is an older settled community. There are two or three riding schools and that kind of thing, or one riding school, I think, and two or three fair sized farming establishments on it.

MR. HAYES: All I am interested in is immediately south of that within the city boundaries, to what extent is that populated?

A It is quite heavily populated right next to the railway yards, that's the main Calder settlement. You get up to about 132nd, 130th in some areas, and from there up its all, oh, I would say one house maybe every -- thirty acres or something like that. I walked all through it one afternoon and the impression it left with me was there was one house here and a fair distance down the road there was one over on the other side and one over somewhere else.

MR. HAYES: Would the population be similar or a little more or a little less than that 91?

A A little more, a little more.

MR. HAYES: A little more?

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R. E. Moffat - Garside Ex.
- Brownlee Ex.

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A Yes.

MR. HAYES: How would that apply then to the district under 24 there?

A I haven't been actually personally through that half section, I'm not aware of it, but the impression, driving up the St. Albert Trail, is that that's blocked off more or less by the Northern Alberta Railroad, but I have not actually walked through that particular section.

MR. HAYES: Thank you.

THE CHAIRMAN: Then, if there are no other questions of Mr. Moffat at this time, I want to make an announcement, I say, if there are none.

MR. BROWNLEE: I wanted to ask him a few, sir, if I might?

THE CHAIRMAN: Yes.

MR. BROWNLEE EXAMINES THE WITNESS:

Q Mr. Moffat, as I understand it, your professional experience is two-fold, namely as an economist and as a barrister and solicitor?

A Yes, primarily an economist.

Q You have no other professional training, and, specifically you have not taken any training in town planning?

A No, none whatsoever.

Q And am I correct in saying that your experience in the field of town planning is limited to the studies you have made in connection with your representations before this Commission?

A Well, it depends what you mean by "town planning".

in fact

is up the old Alameda

and off more or less by

road, but I have not actually walked

any particular section.

Mr. HARRIS: Thank you.

MR. CHURMAN: Then, if there are no other questions

of Mr. Moffet at this time, I want to make

announcement say, if there are any

I wanted to ask him a few, all right

Yes.

THE WITNESS:

I understand it, but I don't

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- 4941 -

A (Cont.) If you mean town planning in the sense of professional lay-out of towns and so on, yes.

Q Such work as is done in connection with the development of municipal areas and such work as is studied by a person in the position of Mr. Gertler?

A Oh, yes, no, I have no experience in that, but I have done a good deal of work in the development of municipal government, municipal organization and city growth and that sort of thing, but not in the sense of professional town planning, no.

Q With respect to what other cities have you done this work, the City of Winnipeg?

A Primarily around the City of Winnipeg and some general reading about it in other areas, but it has definitely been in the field of public attitudes and what do people want, the sort of public opinion which will influence council decisions and attitudes, but it's certainly not in professional town planning.

Q No, and how long have you been associated with that type of work?

A Which?

Q With this aspect of town planning which you have just discussed in which you have had some experience?

A Oh -- very close to it for ten years.

Q Yes.

A But, now, I take it you mean the aspect of attitudes and growth of civic administration?

Q That's right.

A Yes, approximately ten years.

Q And you have not made, or at least, you have not had

Q. Now, if you mean town planning in the

national lay-out of towns and so on, yes.

A. It is done in connection with the development

of the area and such work as is studied

in the position of Mr. Gifford?

A. No, I have no experience in that, and I

do not have a good deal of work in the development of

the national government, municipal organization and

growth and that sort of thing, but not in the

case of professional town planning, no.

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reading about it in other areas, but it has been

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people want, the sort of public opinion which will

influence council decisions and attitudes, but not

actually, not in professional town planning.

and how long have you been associated with this

set of town planning which is now in

the hands of the government?

A. It has been a

few years, I mean the period of service

- 4942 -

Q (Cont.) actual experience in that particular aspect of town planning or town development outside of Winnipeg and Edmonton, I take it?

A No, not in detail.

Q And you certainly would not suggest that you would be experienced to the extent that a man in the position of Mr. Noel Dant or Mr. Leonard Gertler?

A No.

Q In planning matters?

A No, but I do claim some competence in the field of whether or not the public will allow themselves to be guided by technical opinion, and that's a different question. No, I don't claim to have the technical opinion myself.

Q Specifically let's refer to Mr. Dant's statement in the January issue, January, 1955 issue of ^{The} Civic Administration which has already been referred to, and in which Mr. Dant says:

"Edmonton has an absurdly low gross density, and it is apparent this must be increased if only through the mere pressure of economics. I have calculated that an extra fifty thousand persons could be provided with accommodation in existing residential buildings based on an analysis of the density system. The new zoning would provide for this inevitable increase of density."

Well --

A You ask me the question first.

Q I will ^{ask} you my question: you will not deny that Mr. Dant has had the professional training which would

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- 4943 -

Q (Cont.) put him in the position to express an opinion on such matters as population density?

A Oh, absolutely, and I don't disagree with him at all in that.

Q Mr. Dant has studied town planning in England as well as in the United States and Canada?

A Yes, and is one of the most highly qualified and most able people in the field and certainly one for whom I have great respect.

Q Now, isn't it true that Edmonton has been considered by many people as a very thinly populated, very widely spread out area?

A Yes.

Q And has Edmonton not been considered as a city with a very large area for its population?

A Extremely large and anyone who looks at it must be impressed immediately with the fact that it is very, very thinly populated, but the evidence which I gave was ^{not} that it would not be possible to take more people in, the evidence I gave is that the people did not want to go into that area; that the areas in which people were going was out around the outside. I was not saying it wasn't possible to do it, I was saying the community didn't want to do it.

Q Mr. Moffat, that's what I want to ask you, if I suggest to you that Mr. Dant in considering and studying the development of the future development of the City of Edmonton suggests that we have an absurdly low population density, that another fifty thousand people should be put in the present area?

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has been a long planning in a
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- 4944 -

A Excuse me, did he say "should" or "could"?

Q Could be provided with accommodation. Are you telling this Commission -- now, I should go back, he says "It could be provided", and he says that the density must be increased. He used the word "must", which is imperative. Do you disagree with that suggestion that the population density must be increased?

A I would disagree with it to this extent, that I don't think it is likely to happen to any significant extent. Now, I don't think there is any doubt that eventually this city will start to develop apartment house growth on a big scale. The tradition of the city; the tradition of the community is not in that direction, and only a few areas of that sort are developed yet, and it is the kind of thing that does not happen inside of one year or two years or five years. The whole growth of cities, particularly since the automobiles have come in and since families have got enough income that they want to get their children out into suburban growth, is in the other direction. The cities of Toronto and Winnipeg, both central cities, have actually stopped growing, the growth is moving in the other direction.

Now, when Mr. Dant says "it could", well, certainly it could, but I am offering you the opinion that I don't think it will happen.

Q Well --

A Excuse me, if I could add just a little for the sake of the record. I don't think it will happen to

A (Cont.) any significant extent.

Q Well, to what extent will it happen?

A Well, one person's judgment is as good as another.

Q On what are you basing your suggestion that it's not going to happen here, that the population density is not going to increase, and I say this to you, that where Mr. Dant refers to it as an "inevitable increase" his meaning is only too clear?

A Yes.

Q Now, if you say that it's not going to happen to any substantial extent, to what extent is it going to increase, by what percentage is the population density of Edmonton going to increase?

A I'm not a town planner, as you pointed out, and I can't give you the answer, but I can give the answer that I have lived in Western Canada pretty close to 40 years now and I know the people of Western Canada and I think I know the attitudes of the people in Western Canada in all their cities, and they are not going in that direction, that's all I can tell you.

Q Mr. Moffat, I just want to get clear, because, quite frankly, I am very much impressed with Mr. Dant's suggestion, and from a purely lay standpoint I think he is right. You are expressing an opinion to this Commission that you think he is either wrong or that he is only right to the extent that there will be a very, very slight increase in population density?

A No, he didn't say it nearly as strong as that.

He states, in the one place he says it could absorb another fifty thousand people and in another place he

A (Cont.) says it must go in the direction of some increase in the density of the downtown area.

Now, his judgment and my judgment and the Commission's judgment has all got to be on the basis of what is likely to happen. I think when we get into the position of saying we are going to tell people they have got to do this or they have got to do that, we are in trouble. I think we have all got to form judgments on the basis of what public attitude will stand for, and I think in that field I should know something about what public attitude will stand for in Western Canada.

Q Do you know it from professional study or do you simply know it from the standpoint of a man who has lived for a number of years in Western Canada such as has Dr. Harries and myself and some of the others present?

A As Dr. Harries and yourself and myself, I think, are all in the same category on that, and I would like to know your honest opinion.

Q Well --

A As to whether you think that is the direction in which our cities are growing.

Q Well, just at the moment, Mr. Moffat, you are the one who is expressing an opinion?

A Yes, I know.

Q I don't wish to prolong this, but I do feel that you should say frankly that your opinion on the question of increase in population density is at best the opinion of a well informed layman?

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... the ... are growing ...
... the moment, Mr. Moffat, you are ...
... raising an opinion?

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A Well, yes, that's all right, but that's the people who are running the communities.

Q Well, all right, I just want to qualify you with regard to this matter.

A Some of them are not too well informed, but still they are the people who are running the communities.

MR. BLACKSTOCK: What you are trying to point out is that I could pasture a goat in my lot where my building is, but I won't do it?

A That's right.

Q MR. BROWNLEE: I wanted to point out to you, Mr. Moffat, that Mr. Dant is not talking about population increase in the downtown area, he is talking about the existing built-up area of the city.

A Yes, I know, so that it is wider than the downtown area. True enough, the first impression of driving through the city is that there are lots of more space in the present area, there are lots of vacant lots. I think there are more vacant lots in this city than any city I have ever been in, but the indication is that that's not where they are going. You can hardly see a new house being built in the vacant lots in the existing areas, it's developing. Now, I don't know the reason, all I can tell you is that that's what is happening, it is developing in terms of growth around the outside.

Q Mr. Dant estimates that the population increase in the existing built-up area could be fifty thousand. He says that our density at the present time is absurdly low, that it must be remedied. Now, what

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- Q (Cont.) do you say as to Mr. Dant's estimate, do you disagree with it?
- A As to what could be accommodated?
- Q As to the accommodating of fifty thousand more people in the existing built-up area.
- A As to what could be accommodated?
- Q That's right.
- A Oh, there is no question that another fifty thousand could be accommodated easily. You could accommodate a lot more than that by putting some apartment houses in, but that's not the point.
- Q Well, it is the point, it is the question I am asking you. You agree with him then?
- A Oh, yes.
- Q All right.
- A Again you ask me as a layman's opinion. I think you could put more than fifty thousand people in that area if you were prepared to build that kind of accommodation and if they were prepared to live in it, but they might not like it.
- Q Now, do you disagree with Mr. Dant when he suggests that the increase must take place by reason of economic needs? He says not only is there room for another fifty thousand, but we must increase our population density for economic reasons. Do you disagree with him?
- A Well, economic reasons don't control the thing. For economic reasons, yes, it would be more efficient and cheaper to do it and there would be certain considerations of that sort will bring it that direction.

You say as to Mr. Davis's estimate, 50.

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Q All right.

A But I don't think it's going to happen that way to any significant extent in the light of the social customs and what people are used to and the fact that they are getting to be more mobile all the time.

Q Yes, but you did agree with me that economic necessities would be better served by increasing the population density?

A Oh, yes.

MR. BLACKSTOCK: I wonder if it wouldn't be better to bring Mr. Dant here and ask him what he meant? We don't even know that he wrote the article.

MR. BROWNLEE: I realize, sir, that it's not the best evidence.

MR. BLACKSTOCK: We are not bound by the technical rules of evidence, but I made this comment in other hearings, there is no reason why we should break all the rules and throw the pieces out of the window. Mr. Dant is the one who should be called to explain his article, not to have someone who says "I agree with him, but it can't be done". Is that the effect of your evidence?

A That's my evidence.

MR. BLACKSTOCK: "I agree with it, but it can't be done". Why not get Mr. Dant here and let's get the thing first hand.

MR. BROWNLEE: Well, quite frankly, I feel that he should have been called on behalf of the city when this article was read in.

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R. E. Moffat -
Discussion

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MR. BLACKSTOCK: Who read it in?

A We read it in.

MR. BLACKSTOCK: Yes, of course.

MR. BROWNLEE: But Mr. Dant is the town planner for the City of Edmonton.

MR. BLACKSTOCK: For instance, I would like Mr. Dant to tell us how he is going to compel increased density of population. Is he going to take people by the ear and say "You have got to build a lot there and that's where you are going to live", what does he mean? Does he mean barracks or apartment buildings or compulsory building? Personally I don't know what it means?

MR. BROWNLEE: Well --

MR. BLACKSTOCK: And Mr. Robison just makes the comment "I don't either".

MR. GARSIDE: We will call Mr. Dant, sir, again.

A Mr. Brownlee, though --

MR. BROWNLEE: If Mr. Dant is going to be called, I am quite prepared to let it drop there, but with all respect, Mr. Commissioner Blackstock, I feel it was hardly our position to call the city's employee the town planner, but I did want to know what was meant by this.

MR. BLACKSTOCK: Well, I don't agree either, but a magazine article written by someone who is next door, should be used to confound a witness who says "I'm not a town planner". He does say "I understand, I agree with him, but how he is going to compel it, I don't know". Mr. Dant is the one who should tell us that.

"to read it."

TOOK: "of course."

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KSTOCK: For instance, would like Mr. Dane to

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Well --

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"We will call Mr. Dane in

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- 4951 -

MR. BROWNLEE: A point, sir, but to the extent that he is disagreeing with it and suggesting that development must be outward.

MR. BLACKSTOCK: You only have to look and see that that is going on here, Calgary, Medicine Hat and Lethbridge, people are not building downtown; they are going out where they can get fresh air; where they can get gardens; safety for their children, they are not building downtown, and I don't care what any town planner tells me, I know that people go out to the suburbs and they are building their homes and I don't need a town planner to tell me that.

MR. DAVIES: We had evidence on this point in Calgary and it might be of interest to you. The population studies in the City of Calgary on the new subdivisions showed that with the establishment of the new subdivisions, that the density per acre is going down and that the population on the new subdivisions is showing off now at about twelve per acre, and Calgary had not made this study when we were there first last fall, they were working on a figure that was a fair amount higher than twelve per acre, and by the time we got there early in the new year and they had completed population studies of the new subdivisions, they found, they were surprised to find that they were down to twelve per acre. So the people apparently, whatever anybody says, they want to go out and they don't want to go up, they don't want to go to six and eight storey apartments

point, but to the extent

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Q: You only have to look and see what

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Discussion.

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MR. DAVIES: (Cont.) like in some of the major cities.

Perhaps that's the condition that Mr. Dant ultimately envisages in this area, that we are getting into apartment houses in the central areas, but you know the population of central Toronto is down 15%, and you know that the central area of Winnipeg is down. Now, maybe it's a development of tearing down part of the old buildings in the central part of the city and putting in apartment houses is what Mr. Dant envisages, but we don't know that.

MR. BROWNLEE: Well, sir, my interest in the matter arises out of the suggestion by engineers that the further we spread out, the higher the per capita costs, and the statement by an employee of the City of Edmonton that our population density is absurdly low, and if he does not feel that the planning which he is laying out in the city is going to lead into an increase in population density and that the population density is contrary to economic reasoning, going to diminish, then it's just a matter of hearing his opinion, but I feel that it was not unreasonable of myself as counsel for Strathcona to get something further on the views expressed by Mr. Dant, and to the extent that Mr. Moffat as a consultant for the City of Edmonton --

MR. DAVIES: Personally I think you are very justified in bringing that article to Mr. Moffat's attention and to ours, I'm not questioning that at all.

MR. BROWNLEE: However, I am quite prepared to refrain from pursuing the matter further with Mr. Moffat if

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R. E. Moffat -
Discussion.

- 4953 -

MR. BROWNLEE: (Cont.) Mr. Dant is going to tell us.

A I wonder if I could just restate slightly the difference between the position which I am trying to express and the position which Mr. Dant took before the Commission?

The arrangement made with Mr. Dant was that he would give evidence as a professional technical planner, and he so stated it when he appeared, and his instructions so far as the City were concerned were to express his own personal opinion as a technical planner, and that he did, and as to the expression of any opinion from the city commissioners in council as to what they thought was likely to happen or what they thought should happen in the light of general overall policy, Mr. Dant did not deal with that aspect of the matter at all, that was left for me, and if you wish to ask him those other questions, he should be called to do it, but when he appeared, he appeared as a spokesman from the point of view of professional planning only.

MR. ROBISON: It is quite obvious to me as a member of this Commission that I don't care what you say or Mr. Brownlee or Mr. Dant or the City of Edmonton or Strathcona or anybody else, I am responsible for making up my own mind on the basis of what we hear and what we find out, and what we can accept. I think this Commission has got to use common sense, I think that's why we were appointed, to use common sense. If we followed the line of accepting theoretical planning stuff, and I have read a lot of Mr. Dant's stuff, I have his thesis over in my

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MR. ROBISON: (Cont.) room, he lent it to me. I don't understand it all, I am thankful that we are not in the hands of technical planners completely. This Commission, I think you can depend on it, will have to use their common sense and wade through a lot of this.

THE CHAIRMAN: Mr. Brownlee, I understood you to say that so far as this phase of your questioning is concerned, that you were prepared to just rest at this point and cross-examine Mr. Dant when he comes, correct?

MR. BROWNLEE: Yes, sir.

THE CHAIRMAN: Then, are there other questions that you would like to ask Mr. Moffat aside from this particular phase?

MR. BROWNLEE: I did want to clear up one or two matters, sir.

THE CHAIRMAN: Yes.

MR. BROWNLEE EXAMINES THE WITNESS:

Q Mr. Moffat, you have been talking about drainage in the north eastern section of the city?

A Yes.

Q And you have implied that the drainage could be in a south easterly direction?

A Yes.

Q Now, does that signify two systems?

A Two sewage disposal units under one administration and the timing and development of it tied in together, but operated physically as two separate units, yes.

- 4955 -

Q Now, you were mentioning --

A Incidentally, you might be well advised to ask Commissioner Menzies more about that. I have discussed it with him at some length.

Q You were mentioning some river lots in the area of Terrace Heights, Capilano and so on?

A Yes.

Q You spoke of space in that area for some 2500 housing units, did you not?

A Well, I spoke, if I didn't make it clear, I certainly intended to make it clear that I was talking in terms of the higher levels of what is called the Gold Bar Farm plus the area between 75th and 50th Street down to the industrial area, approximately 2500 residential units in that area is what I was talking about.

Q I am informed that --

A There might be more, I'm not sure.

Q I am informed that you have omitted mention of the Holt, King and Metcalf river lots of 6,000 acres.

A Where are they?

Q They are immediately --

A Those are in the Terrace Heights development, aren't they? Those are already within the city limits.

Q Were you confining your remarks to the area outside of the city?

A When I was talking, no, when I said about 2500 lots this morning, I was talking about the new area that was taken in, and that's the information from Mr. Reid's

- 4956 -

A (Cont.) exhibit, the new area that was taken in at the south side of the river immediately north of Highway No. 16. Mr. Reid's, you can go back to Mr. Reid's evidence on it, but my note of it is that the Holyrood, Hazeldean and the area to the south east corner of the city, approximately 800 lots, and the newly added area, Terrace Heights and adjoining, 2500 lots.

Q Well, I am informed that there is considerably more space in the Terrace Heights area, that there are three river lots alone, the King river lot; the Holt river lot, and the Metcalf river lot which --

A Those would be the three river lots closest to 75th Street in this newly added area.

Q They are immediately east of the Red Hot Coals river lot?

A Yes.

Q Those three that I specifically named constitute some 600 acres, and at five lots to the acre, that would make it three thousand?

A I can't give you --

Q Three thousand more lots?

A -- detailed information. I know that that area is broken up quite badly with ravines in one or two places, but the evidence of Mr. Reid, and I take it from there was that there were approximately 2500 lots available in this new area which was added to the city. Now, that's what I am depending on.

Q I have one more question which I would like to ask you. You mentioned an industrial tax in the event of

- 4957 -

Q (Cont.) depression, and you said that in the event of depression the residential tax might be delinquent and the industrial would not?

A Yes.

Q Would this mean greatly increased taxes for industry if the industry was in the city?

A Well, it would mean that industry would be paying for the unemployment costs and the social welfare costs of its employees to the extent that these costs were not taken up by senior government. The mill rate might go up, I think, I think it might be involved in that kind of a situation.

Q You say the mill rate would probably go up?

A No, I said it might go up if the senior governments didn't take it up. We can go into a great discussion as to whether under those circumstances the senior governments would likely take it up, but that isn't the point. The thing is that you do have steady reliable tax revenue from industrial property; you do not have steady reliable revenue from residential property under those kind of circumstances.

Q Well now, if that could happen, if the industrial taxes could go up on that basis, wouldn't this be a good reason for industry staying ^{out} of the city?

A It would be a good reason for them staying out, but it wouldn't be at all a reason why they should be allowed to stay out, that's a different consideration altogether. If I can arrange my affairs so that I don't have to pay too much taxes, well, of course,

- 4958 -

A (Cont.) I would try to do it, but that doesn't mean that it's good public policy to allow me to do it.

MR. BLACKSTOCK: Have you authority of the House of Lords for that proposition, Mr. Moffat?

MR. ROBISON: You can move your industry down to Porto Rico where they give you tax exemption for ten years.

THE CHAIRMAN: We are getting quite far afield now. You are finished, Mr. Brownlee?

MR. BROWNLEE: Yes, Mr. Chairman.

THE CHAIRMAN: And do you want to say something, Mr. Garside?

MR. GARSIDE: I was just going to say something in connection with that article of Mr. Dant's. That happens to be condensed from a report by Mr. Dant to the City Council which had not yet been dealt with.

THE CHAIRMAN: That has not been dealt with by council?

MR. GARSIDE: And it arises out of such things as what is happening in Calgary and Edmonton, namely there are people in one family dwelling districts who build a basement suite and put people in there, and it's against the law at the present time. If this density idea comes in, that might be permitted, and I think Mr. Dant should be called to explain that.

MR. DAVIES: Before we adjourn, Mr. Chairman, would you take a look, Mr. Moffat, at Exhibit 192E, apropos of the question of the assessment of utilities. That's where I got the seventeen and a half million figure, analysis of the 1954 assessment

- 4959 -

MR. DAVIES: (Cont.) roll of the City of Edmonton.

A That's on the basis of the buildings up 100%.

Apparently they have made some raise in the adjustment in that.

MR. DAVIES: What is this exhibit supposed to be?

A That's an analysis of the 1954 assessment roll on the assumption that the buildings were up 100%.

MR. DAVIES: I don't think so, because on item 1 it says improvements assessed at 50%.

A We had that same discussion, that is the category of single family residence, improvements assessed at 50%, that is the category as it now stands, and the column "buildings" is marked what that category would have been raised to if it would have been 100%. That 50% reference is simply to identify the type of single family residences we are talking about.

MR. DAVIES: Actually the heading of this exhibit is extremely misleading.

A Well, it was discussed when it was put in, at some length.

MR. ROBISON: I want to ask Mr. Garside a question on 209E when we reassemble.

THE CHAIRMAN: When we reassemble, he says. Gentlemen, I want to announce this change in our procedure that is made necessary by the fact that this room will not be available to-morrow.

When the hearing adjourns at 4:15 this afternoon we shall stand adjourned until 9:45 on Monday. The Appeal Court sits here on Monday the 7th and the Sheriff has promised us the room which

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What is this exhibit supposed to be

analysis of the 1971 assessment tool
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that is the category of
single family residence, improvement, assessed
50% that is the category as it now stands and
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would have been raised to 10% it would have been 10%
The 50% reference is simply to identify the
of single family residences we are talking about
DAVID: Actually the number of
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DAVID: I want to ask Mr. David

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the fact that this will

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THE CHAIRMAN: (Cont.) is just being refurbished and furnished immediately at the left of the side door as we come in. All the lawyers will remember what it was before, but it is now being made into a court room and is practically finished, will be finished, as Mr. Dubuc tells us, for Monday morning, and we shall continue the hearings in that room until we conclude the public hearings. I want to announce that so that if you want to make plans about tomorrow or, so that all will likely be in attendance, you will know where to find us on Monday morning.

DR. HARRIES: Could I ask, sir, when the sittings in Edmonton are concluded, would that conclude the public sittings of the Commission?

MR. BLACKSTOCK: We might, Dr. Harries, we might after examining the transcript and the exhibits, we might feel that we require more information, and if we did, we would, of course, call on whoever should furnish the information and resume the public hearings.

Quite frankly we hope not, but it is possible that that could happen both here and in Calgary, so that the thing won't be shut off, I mean, subject to what the Chairman says, and I would think this: that if either of the parties concerned felt that there was more information that they should give us, I would say for myself that we ought to hear it, in other words, there will be no finality when the Edmonton sittings is over.

THE CHAIRMAN: That is not to be interpreted, Dr. Harries, as any encouragement to the City of Edmonton or the

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THE CHAIRMAN: (Cont.) M.D. of Strathcona or the City of Calgary or anybody else to think up something new that might tend to confuse us.

MR. ROBISON: Were you thinking of a holiday, Dr. Harries, or something like that?

THE CHAIRMAN: Well, you are going to have a long time to work on the preparation of the summation.

Now, we shall take the recess until 11:10 and then, I take it that Mr. Moffat will go on with his discussion of the composition of the proposed council.

(At this point the Commission stood
adjourned until 11:10 a.m.)

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THE CHAIRMAN: Mr. Garside?

MR. GARSIDE: Mr. Chairman, first as to the enquiry regarding exhibit 209E I had the privilege of talking with Commissioner Robison and I will give him the information later.

THE CHAIRMAN: Yes, thank you , Mr. Garside.

MR. GARSIDE: Mr. Moffat, in connection with this next heading namely the position of Council on the enlarged area, if such is made would you indicate whatever comments you wished to make in relation to that subject. I think first of all it was referred to in the resolution of Council, Exhibit number 167E, you might mention that.

A Exhibit 167E is a copy of the two resolutions, the one which^{we}/dealt with yesterday in connection with boundaries and the second one is one which indicates the Council's opinion as to the make up which should be recommended for the Council to be responsible for this area. I don't think I need to read the resolution, it is quoted completely in Exhibit 167E.

In brief, the resolution recommends to this Royal Commission that if the extended areas are established the arrangements for representation on Council should be to provide for 12 members on the Council rather than the present ten on the City Council, that one member should be a resident of the Town of Jasper Place, and shall represent the added areas to the west end of the City. That one member shall be a resident of the Town of Beverly and shall be a representative of the areas added on the east side. That the south side agreement, with respect to representation which is guaranteed at the

A (Cont.) present time, three members for the south side, would be continued . That this would be an arrangement for five years and at the end of the five years all special arrangements would be wiped out and there after all parts of the area would be entitled to the same representation. Then, the Council added a rider at the bottom, that in the case of the south side agreement care should be taken to see that it was changed only in accordance with the established procedure for changing it or in accordance with whatever special legislation was deemed necessary to put it into effect. In other words they were expressing the opinion that the City, as such, did not have the authority to deal with the thing and it would require something special but the general objective was that at the end of five years all these special arrangements would disappear. Now, I don't think I have anything more to elaborate on it except to report that that is the opinion of council as to what they would recommend that you should recommend.

MR. DAVIES EXAMINES THE WITNESS:

Q I would like to ask you a few questions to start with, Mr. Moffat. The first one is, tell the Commission on what present population figure, just so we have them here, in this discussion, you are working on for Jasper Place?

A What is the population for Jasper Place?

Q Yes.

A 13,300 and something.

Q Beverly?

A 3500, approximately.

Q And Edmonton?

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A Oh, for a round figure, two hundred thousand, one hundred and ninety seven something.

MR. ROBISON: Might be 210 when the new census is taken, I understand.

A It is definitely over two hundred thousand now but these are all last year's census figures, it is 197,000, now. The exact figures are quoted on the face of Exhibit 171.

MR. BLACKSTOCK: By a resident of Jasper Place does that mean a resident within the existing boundaries of Jasper Place or does it mean a resident on the area added to the west side of the City.

A Now, on that point there was some difficulty, Jasper Place Brief asked for representation for Jasper Place and the Beverly Brief asked for representation for Beverly and there was considerable discussion, in Council, as to whether it would be better to recommend a representative from the west side of the City or representation from Jasper Place and the conclusion of Council was to recommend that it should be in accordance with what Jasper Place and Beverly had asked for on that point. I don't like to do too much of this interpreting what I think the attitude might be but I think this is a case where it might be fair to indicate that I don't think council would object particularly if it is done the other way but their conclusion was to recommend that it be done as requested by Jasper Place and Beverly which would give them specific representation within their own area.

MR. DAVIES: Well, to start with Jasper Place receded from that view?

A Well, they started off with two representatives and then

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A (Cont.) receded down, almost receded to one and then they said they would take it under consideration.

Q I think they went further than that. I asked them if they would be satisfied to have, to have some sort of a committee or something that they could keep in touch with the City Hall with and they indicated that they thought they would. I want to put this to you, Mr. Moffat, in Calgary, Bowness has indicated, which is populationwise five thousand, six thousand, Mr. Moffat Mr. Robison --

MR. ROBISON: About that.

MR. DAVIES: And they indicated that they were prepared to put themselves right in the pool and elect council at large. Montgomery didn't, a population of over 4,000 people, they didn't make representations about having somebody from that specific area and there would be greater argument, I would think, in the case of Calgary for having separate representatives than there would be here because Bowness has no sewer and Bowness is seven or eight miles out from Calgary and Forest Lawn is in the position that it is just starting a sewer project and Jasper Place and Beverly both have, either have sewers or they have them under way and that seems to be one of the principal reasons to justify separate representation is, that they don't want to be lost in the post annexation rush, if there is one, and be forgotten.

A That is correct, that is the real objective.

Q I would like to ask you, as an economist, on the basis of these figures you gave me for Jasper Place, Beverly and Edmonton, it makes a total of about 216,000.

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Mr. W. in Galveston

SENATOR: About that.

What? And they would be in

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- 4966 -

A Yes, well then you have --

Q It will go up some?

A You have another area to the south to be added to the population.

Q Yes, that is true.

A 218,000, approximately.

Q Well, the unit for aldermen as based on the 12 is over 18,000. Now, would you agree, as an economist, I am asking you, not as a planner or an engineer, would you agree that some semblance of thought should be given to the question of representation by population when considering for example giving Beverly an alderman for five years with 3500 people?

A Well, that is not a question for an economist, that is a question for the person who can --

MR. ROBISON: A public relations expert?

A A public relations, public opinion, political development--

MR. DAVIES: I thought you were speaking of political science.

A I was going to say that I might answer it in the other capacity, not as an economist but as a person who knows a little bit about how public reactions work . There are plenty of precedence of deviating quite sharply from the representation on population, we have got lots of them, all over the place.

Q I quite agree with you, how far are you going to go?

A If it is more acceptable to the community to do it that way and nobody objects to doing it that way I see no objection to it, as long as it isn't permanent and as long as it is understood that it is going to be straightened out eventually and as long as nobody complains too much there is no harm

...now, would it
satisfy you, as a pleasure or

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...that is not a question

A (Cont.) in it for a short period. I wouldn't try to justify it in theory, no.

Q Take for instance the case of Beverly, which is so far down the scale populationwise, would you think that if annexation of Beverly took place that there might be some justification for this view? Instead of taking just the area of Beverly with 3500 people run a line further north than that and take in some of North Edmonton. Was any consideration given to that, just to give us a larger base?

A If you are asking a personal opinion I would be inclined to run a line both north and south, in other words put representation for the whole area of Beverly plus what is taken from the present Strathcona area, plus what is taken from the present Sturgeon area, put that whole route in together and put one representative in there because that area is likely to grow up fairly, pretty fast, fairly quickly and may grow up to approximately balance with the west side now.

Q 50th Street, isn't it?

A But that is not what the City Council decided that they would recommend.

Q 50th Street is the Beverly boundary, isn't it?

A That is right.

Q In other words, another suggestion would be to, if there were annexation all across the territory, to take 50th Street as a boundary?

A No, no, not suggesting that you take 50th Street but to take the present east boundary of the City which follows 50th Street for awhile and 75 Street for a while and the

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A (Cont.) present south boundary of the City, also take the whole added area in as one representative unit on the east and south. Now, that becomes very complicated to work voters lists, that is difficult.

Q It certainly increases the cost of administration, doesn't it?

A Yes.

Q Was there anything said about school boards and the separate school board because the school board representation is fixed in amalgamation?

A No, there has been no discussions on that, neither Jasper Place School Board nor the Beverly, Mr. Scott, mentioned the subject at all so that I assume from that that they are not asking for any special arrangements.

Q Well, you may remember that before Christmas, I think it was, that I suggested to Mr. Garside that this Commission will need to know what the attitude of the School Board was and what the attitude of the Separate School Board was towards cancelling off the sections, the two sections and the subsidiary ones in the amalgamation agreement of 1912 dealing with representation.

MR. GARSIDE: I know Commissioner Davies that you did raise that question and actually I sent to the Separate School Board and the Public School Board a certified copy of the resolution passed by Council and asked them if they would let me know if they were in agreement. I have not received a reply yet.

THE CHAIRMAN: Mr. Garside was that the resolution that Mr. Moffat has been quoting, passed before Christmas?

A The 10th of January.

9-R-8

R. E. Moffat - Davies ex.
Dr. Harries ex.

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THE CHAIRMAN: The 7th of January.

A 10th of January.

THE CHAIRMAN: Well, you have had time enough to have a reply?

MR. GARSIDE: I will make further enquiry, sir.

THE CHAIRMAN: Any other questions on the part of the Commission, or, Dr. Harries, I am sorry.

MR. DAVIES: If there is no other questions I might ask him something arising out of it.

THE CHAIRMAN: Dr. Harries was going to ask --

DOCTOR HARRIES EXAMINES THE WITNESS:

Q Yes, so the record is clear, you are giving us your personal opinion that representation, if there is representation given to particular areas, for a limited time, that the representation should be broader than merely the Town of Beverly taking the eastern side, that should include all the annexed areas to the east?

A And south and north, I would be inclined to put the whole annexed areas, north, east and south into one area.

Q Well, to the south, extending to the river?

A Well, now, that raises a question. Maybe you should cut off somewhere there, maybe at the Calgary Highway but certainly that area east of 50th Street and east of 75th Street on the south side of the river, should be added in with Beverly and that area to the north, that would be my personal preference.

Q And that would be in contra distinction to the preference that has been expressed by the aldermen or the City Council?

R. E. Moffat - Dr. Harries ex.
Garside ex.

- 4970 -

A Yes. Their preference was in terms of going along with what Beverly had asked for in view of the fact that that was what had been asked and nobody had asked for anything else in those areas. It is another one of these cases where they are recommending something but are not strenuously opposing some variation of it.

Q But you think that they would actually support your private suggestion?

A I don't think they would object to it if it was suggested to them but they did not want to oppose the request of Beverly unless there was somebody else that requested something which there was not at the time when they were considering it.

THE CHAIRMAN: I shall assume that this, being the end of chapter five, that we now proceed with the next item.

MR. GARSIDE: Yes, Mr. Chairman, the next item is the Pro Forma Budget of the enlarged area. Mr. Moffat intends, also, to deal to some extent in this connection with schedule 9 attached to the brief of Strathcona and that is what, the exhibit --

THE CHAIRMAN: What is the exhibit number?

A 171E and 178E.

MR. GARSIDE EXAMINES THE WITNESS:

Q Do you wish to read any part of that, Mr. Moffat.

A We have some extra copies of 171E here, someplace, if anyone is short. I am not sure we can put our hands on them quickly but I know there are some spare ones here.

THE CHAIRMAN: Well, Mr. Moffat if you have one or two extras I think we would like to have them because --

A We can certainly find them by the noon adjournment I know that I brought them over but they may be back in

A (Cont.) my bag in the office with other papers.

MR. DAVIES: Mr. Moffat, would you mind going back, just for a moment, would I be correct in assuming that on the question of representation on the school board there wouldn't be the same argument in favor of carrying on the principle through to the school board that you have enunciated in respect to the Council?

A Well, I think the basic consideration in the minds of the Jasper Place people particularly and also Beverly, but I think particularly in Jasper Place, the basic consideration was that they wanted to be sure that the sewer program was going ahead and to be carried through to completion and it was in order to have some protection in that respect that they were anxious. Now, they were also anxious, as they put it in not becoming another Calder. In other words they were thinking even further than the sewer program, the sewer program was the immediate issue, as I understood it. There isn't that kind of a situation in respect to schools.

Exhibit 171E replaces Exhibit 100E. Exhibit 100E was put in fairly early in the proceedings for the purpose of giving the general indication of the probable effect of the enlarged boundaries on additional expenditures and additional revenues. It was done prior, before the City had made up its mind exactly what boundaries it wanted to recommend, the exhibit therefore had to be based on some approximate boundaries. Subsequently, the City did put in Exhibit 144 which is the map and Exhibit 167 which is the one we were just considering and the financial data was reworked, this is in conformity with those boundaries

A (Cont.) and put in as Exhibit 171E. If anyone cares to compare the two they will find that the expenditure data is up just slightly and the revenue data is up just slightly and there is no significant change in the net result. The basis for preparing the exhibit is set out in some detail on the first two pages, giving the assumptions upon which it was prepared. I don't know whether it would be advisable to read them or whether it might be better to simply go right into the tables themselves.

MR. ROBISON: Well, I think Mr. Moffat that the Commission is much concerned with the Pro Forma budget and I wouldn't suggest that you not go into detail, some detail.

A Well, yes, I agree with that. I was wondering whether it would be better for me to go into detail in the first explanation or to go into detail by means of questions directed to specific points.

MR. ROBISON: I think you should make clear to the Commission what you want us to see and this is the time to do it, right now, before you start.

A Well, the thing that is of primary importance is that on the basis of this material the additional cost of the enlarged area, plus the present cost of the City could be covered by a mill rate of 53 mills, and, in other words, the amount of additional costs in the enlarged area will be just about equal to the amount of additional revenue from the enlarged area, as we see it.

The estimates of expenditures was prepared by taking the Edmonton 1954 estimates and adjusting each item in those estimates in accordance with the best information

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A (Cont.) that was available, in consultation with the City Commissioners and with the Superintendents of the Departments concerned. In quite a few cases it involved the Superintendent of the department going out and taking a look at the existing facilities in the area to form some judgment as to what would be the cost of extending out into those areas. In some cases it wasn't necessary to do that, where the information was pretty clear that costs were running about so much per capita it was simply done at so much per capita. Wherever there was a doubt the Superintendent of the Department concerned took a careful look at it and then reported back to the group who was working on this and it was discussed then with the Commissioners and anyone else who was convenient to discuss it and on the basis of the collective judgment an estimate was put in, which is exactly the procedure which would be adopted in preparing the City budget. That was done over each group through the expenditure material.

Then, the same thing was done with respect to revenue except that in the case of revenue there is no really good information as to what the assessment would be on the City basis in the industrial area. We had a long discussion on what would be involved in that and the conclusion was that the most reasonable thing to do was to assume there would be twenty million dollars worth of assessment in there. The assessment people see no reason to think that is too far away from what the final result would likely be. They would not want to offer it as a firm estimate. Now, I think it is significant that

- 4974 -

A (Cont.) the same figure of twenty million appears in at least two places in the material used by Strathcona. Now, I don't mean by that that we are passing responsibility to them but it indicates ^{that} the twenty million dollar figure is not too far out.

With respect to the tax revenue information, the other assumption that was made was, that the business tax assessment would be about a million and a half dollars and that is based on the figure of 3% which Mr. MacDonald talked about as representing the approximate relationship between realty assessment and business assessment. Then, there is another six million dollars of assessment approximately in Beverly and Jasper Place so that that makes up the total assessment estimates for the area and then on the basis of that the tax revenue which would be available from the 53 mills was calculated as the tax revenue and from other items, such as the Municipal Assistance Act, was calculated and the total was worked out. Now, this is based entirely on the 1954 estimates, in fact we now have the 1954 actual on an interim basis and I filed it the other day as Exhibit 205. It shows, that in fact the actual expenditures of the City went in excess of the budget by approximately half a million dollars, a little bit over half a million dollars. As I indicated at the time that Exhibit 205 was filed the revenues haven't gone in excess of the estimates by about the same amount although the final figures are not ready for either, but approximately the two have balanced. I also pointed out at that time the practise of the City, in the way it has been using public works reserve is to charge as much as possible to current

...the amount of
...and, perhaps
...six million dollars of
...a larger place to
...the tax revenue which would

a certain way

...the
...city and an
...

A (Cont.) public works in the light of whatever revenue is available so that the result is that the two will eventually come very close towards a balance. So that to be theoretically correct exhibit 171E should now be reworked again with actual 1954 information but I see no indication that the difference resulting from a new calculation would be any greater than the difference which exists between Exhibit 100 and Exhibit 171, the difference between those two was very very small in the net effect, expenditure and revenue both came up and the same sort of thing would happen if it was reworked again on the basis of 1954 actual. Since the 1954 actual is not completely confirmed yet I think ^{it} is what Commissioner Blackstock called a "good intelligent guess" and on the basis of 171 is as good and intelligent a guess as we could get on the basis of reworking the thing again .

Now, if you will just take one or two illustrations to show what the method was the first item is the general government item and that includes, of course, the treasury and legal department and the assessor's department and so on and the conclusion was that some of those items would go up a little more rapidly than the additional population would indicate and some of them would not go up quite as rapidly and probably to apply the same percentage increase to that item as applied to population would work out so that item is raised by 10%, which is the increase in the population of taking in the enlarged area. The assumption is that the cost of that general administration would be up by 10% when the population is up by 10%.

Now, the next item is the Fire Department and on that item, the Chief of the Fire Department and the accountant

10

very close contact

100

100

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- 4976 -

A (Cont.) of the Fire Department considered the situation and estimated that it would require one additional fire station on the west side and one additional fire station on the east side to provide the kind of service that would be necessary to bring the same standard as is now provided within the City. Now, that is not a commitment that those two stations will be built right away and that a crew would be available immediately but the estimate is on the basis of what they think it would cost to put in those two extra stations and to provide crews to operate them and equipment to serve them.

I can go all through, I have notes here for each item, I think I would skip the police and go down into one or two of the other ones by way of illustration.

Street maintenance and snow removal which is down in the middle of the page. The estimate is for an increase there of \$108,000.00 and that was calculated by an estimate that it would approximately cost 15% additional to serve that area. In other words the assumption is that it will cost more than a proportionate increase in population. There is a bigger area involved, relatively, there are more gravel streets and lanes proportionately and so the thought was that \$100,000.00 or \$108,000.00, which would be a 15% increase on that item, would be enough to service it. Now, we should make it clear that that is maintenance and snow removal, that is not bringing up of the standards, that is simply maintenance and bringing of of standards is dealt with on a separate question and is in addition to that. The snow removal item, for example, involved sanding, dealing with the downtown

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new would

on the basis of what they think it would cost
those two extra stations and to provide
the I don't want to serve them.

I can go all through, I have been
I think I would skip the police and the
two - the other ones by way of Illinois
lowest maintenance and snow removal and
the middle of the bag. The
there of \$100,000.00 and that was about
climate that it would be about 10

it cost more than a person

There is a difference in

a gravel surface and lanes

no, it was that \$100,000.00

be a 15% increase on that

we should

and snow removal, that is

is still

- 4977 -

A (Cont.) approaches to bridges, and, of course, that is one of the expensive ones and that one didn't increase particularly as the city has expanded because that has already been paid for. That is one item where the increase would be less than in the proportion to population but the over all conclusion was that street maintenance and snow removal, taken as a group the increase would be quite a bit larger than 10%.

The same situation applies to the incinerator and scavenging services. The assumption again is that it will cost a little bit more than in proportion to the addition of population because there are longer hauls involved in getting the material disposed of after it is picked up and there are more servicing into back lanes and areas where the population is fairly widely spread.

DR. HARRIES: What is the percentage, please.

A It is only a small amount, it is $10\frac{1}{2}\%$, only one half percent over the 10%.

Conservation of health, if we look at it a little lower down was put in at the same percentage as population and there doesn't seem to be any reason to think that it would be either more or less expensive on the population than ^{was} what the City's record.

Sewer maintenance and street cleaning, the sewer maintenance problem is particularly heavy in trunk sewers in the downtown area and the street cleaning problem is primarily one of the downtown area although it goes out to the outer edges as well and that one was put in at half , in other words it is a five percent increase rather than 10 on that one.

than in the previous year
population was about 2 per
cent.

Large, open lot.

Some attention appears to
have been given. The asphalt
driveway is more than 100
feet because there are large
the material disposed of
there are more services
the population in fairly well
fact, what is the reason

by a small

over the

reservation of housing as well as

it is at the same time

it seems to be a

more or less expensive

strongly

on its

from and

- 4978 -

A (Cont.) Now, when you get to education you get the biggest increased item --

MR. DAVIES: Mr. Moffat --

A Yes.

MR. DAVIES: We are looking at welfare and charitable grants?

A Yes.

MR. DAVIES: I wonder if you would give some comments on those two?

A Well, the welfare one, Mr. Bishop of the City Welfare Department discussed that quite thoroughly with the people who were dealing with it in Jasper Place, particularly and their joint conclusion was that welfare in the downtown areas of Edmonton is quite heavy, welfare in the outer areas of the present city is reasonably light. Welfare, when you get out into Jasper Place and the Beverly type of areas is a little bit heavier again and on balance they concluded that it would not be much different from the average of the City. Now, if you get into a serious depression the first effect of it is that the problem comes into the downtown rooming houses, the single men get laid off and they come downtown and if you get the Child Welfare problem it is primarily in the downtown rooming house section but if you are getting a more serious social welfare thing where a fairly large group of people are laid off and where they begin to lay off the fellows with some seniority and family heads then it suddenly transfers from being a downtown problem to being a suburban problem. it more or less jumps the in between area so that your welfares swings from downtown to the outside ring and then it swings back again depending on the type of economic

I wonder if you would give some

Well, the welfare of the

Department of the Interior

are dealing with it in the

their joint consideration was their welfare in the

areas of Edmonson is quite heavy, welfare

areas of the city is reasonably

was you get out into the

there is a little bit heavier

they concluded that it would

everywhere of the city. Now, it

testimonies the first effect of it is

into the downtown housing

it and they come downtown and

reason it is primarily in the

that you are getting a

where a fairly large group of

they are to lay out the

that is

now it is to be a

the is between

in the town to the

the type of

- 4979 -

A (Cont.) activity that is going on at the time. So, the conclusion of all these things was to put it in at the same percentage as population, it is raised by the same percentage exactly as population.

Now, the charitable grants, charitable grants are grants to organizations that are serving the whole City now, it was thought that most of those grants would not be changed very much and they are getting their grants now and they would get about the same and the thought was that we might put an estimate in in terms of another five thousand dollars towards the grant which would be a little more than 10% increase, actually.

MR. ROBISON: What is the explanation of the difference between the first column and the second column under charitable grants?

A Well, one is what was actually paid in '53 and the other what was provided in the estimates of '54. I couldn't tell you why one was lower than the other but the additional item that was added in there is five thousand dollars is 10% of the highest one of those two. It is an item that I must say I didn't pay too much attention to, for my own purposes, because regardless of what happened it can't ^{more than} swing two or three thousand dollars one way or the other, it wouldn't effect the total at the bottom.

I started to say, education is the big one and I will just turn my notes over here to get it in front of me. Now, the basis of this calculation for the school cost was to take the cost of operating the Edmonton Public School and the Edmonton Separate school and just bulk

Now, I am going to ask you to
attend to the following question:
no, it was thought that was
be changed very much and in
now and they would
was that re-mixing but I think
five thousand dollars worth
little more than for the
MR. ROBINSON: What is the explanation
when the first stone
charitable agent?
Well, one is what was
what was provided in
tell you why one was to
ed, I don't know that
dollars is 10% of the kind
an idea that I think is
own property, and
it was given
to the charity.

Will you please

Thank you very much
for your attention.

- 4980 -

A (Cont.) them together as a total, divide them by the total number of students that were involved and get a cost per student excluding the carrying charges on debt and then to apply that to the best estimates that were available as to the number of children that were in the added area and those figures are shown on the front page of Exhibit 171E. Now, the exception is that the Griesbach Barracks, 220 children, were not included on the assumption as specified here, that they would continue to be looked after by the military authorities by one arrangement or another, whatever could be worked out. The balance of the children in the added area was taken as the total figure of that multiplied by the average cost of the City schools, excluding capital and then to that figure was added the cost of the debt which would have to be assumed, the total of the Jasper Place Public School, the total of Beverly, the total of the Jasper Place Separate and the calculation was made on the basis of taking one half of Clover Bar. Now, that was because the calculation was made at the time when the assessment of this area was approximately one half of Clover Bar, that was the old enlarged Clover Bar. I am not sure just what was done when the Clover Bar was divided, just how the debt was allocated between the two areas, I haven't been able to get the information, I haven't actually tried very hard, I probably could have. Whatever arrangement was made was, would have to be taken into account. That when the enlarged boundaries, arrangements was worked into the final details, or, maybe I should say if the

Page 1

1947

These figures are based on the number of persons who were excluded from the program.

As of the end of the year, the number of persons who were excluded from the program was 1,000.

Of these, 500 were excluded from the program.

The Office of the Director of the Bureau of the Census has been requested to include on the census the persons who were excluded from the program. They would continue to be listed as persons who were excluded from the program.

It would be worked out. The balance of the program would be worked out.

Added area was taken as

included by the average cost

excluding capital in the

cost of the debt was

total of the

1947

1948

1949

Lower bar was shown

a difference between the two areas. The

is the information

- 4981 -

A (Cont.) enlarged boundary is worked into the final details the enlarged school district should take the same proportion of the Clover Bar debt that the assessment in the enlarged area bears to the total assessment of Clover Bar. Now, as I say when this calculation was prepared that was around 50/50 therefore the figures were put in here 50/50 but now that the thing has been divided it would have to be reworked, I don't think it would alter these figures materially. The figure is not too important in this sense, it is an assumption of existing debt and therefore there is no financing problem to be arranged, it is only important as one item in the current budget to meet carrying charge and interest and so on for the future and in the relationship of the size of the item that we are dealing with here, whether that is \$100,000.00 more or less of the capital will make a very small percentage change in the total expenditure item that is involved. Now, Mr. Chairman, you are looking at the clock. Could I have just a minute more.

In addition to taking over of the debt the provision was made for the financing of the cost of two new four room schools in Beverly and the indications from the information that we can get as it was last fall now show that Jasper Place probably had enough schools to carry on and they might have to be brought up to a better standards but at least they have enough schools to carry on in the meantime. Beverly would probably need two four room schools. I think the cost of the two new four room schools was added in here which would

...boundary is worked ... the final
...school district should ...

...of the Glover Bar ...
...the enlarged area ... to the total ...
...of Glover Bar. Now, as I say when this calculation was
...prepared that was, round 50/50 there ... the ...
...were put in here 50/50 but now that the ... has ...
...divided it would have to be reworked. I don't ...
...and after these figures materially. The figures

...not too important in this sense, it is an ...
...existing debt and therefore there is no ...
...problem to be arranged, it is only important as ...
...item in the ... budget to meet ...
...interest and so on for the future and in the ...
...ship of the size of the item that we are dealing with
...here, whether that is \$100,000, 50,000 or less or ...
...capital will make a very small percentage ...
...total expenditure item that is involved, ...
...now, you are looking at the block. Could I ...
...quite more,

...to taking over ...
...for the financing of the ...
...books in Beverly and the ...
...action ... we can get ... as it was last fall now
...get these probably had enough schools to
...they ... to be brought ...
...at least they have enough schools
...Beverly would probably
...I think the ... at of the

A (Cont.) make the total of the debt which would be assumed and then the calculation was worked out in terms of amortizing that over 20 years and that was added then to operating cost figure which I outlined a few minutes ago to get the total cost and then that was reduced by the amount of the provincial grant and the assumption used^{was} that the provincial grant would be twenty seven dollars per student which was the figure in the City last year, take the number of students multiplied by twenty seven, subtract this off that cost calculation my figure here, I have reworked it so many times, my final figure was seven hundred and eight thousand dollars on the extra cost of schools which I think we will find, yes, is the amount that was added in on education as the extra cost item would show this break up --

THE CHAIRMAN: You will plan to continue further discussion on some of these items this afternoon?

A Yes, what I propose is one or two items like that and then questions.

THE CHAIRMAN: Yes.

DR. HARRIES EXAMINES THE WITNESS:

Q Mr. Moffat has indicated that he looked at the interim figures for the revenue side of the picture and he has only filed the expense side and I thought it would be a basis of the opinion that^{he} has ventured that they are going to be the same, if those figures are available they should be filed with the Commission so an actual check of them can be made, can be off set one against the other.

the total of the data which would

the calculation was worked out

amounting that over 20 years and

a operating cost figure which I am

minutes to get the total cost and

reduced by the amount of the provincial

assumption used that the provincial

twenty seven dollars per student which was

the fifty last year, take the number of

multiplied by twenty seven, subtract this

also for my figure here I have

my final figure was seven hundred

thousand dollars on the extra cost of

that we will find, yes, is the amount

in an education as the extra cost

break up --

CHAIRMAN: You will plan to continue

in some of these items this afternoon

and

INTERVIEW

indicated that he looked at the

the revenue side of the

expense side and I thought it

opinion that he mentioned that they are

a same if those figures are available

can be all set out

- 4983 -

A Mr. Chairman, the problem is this, the figures will balance but they may not balance at the same figure, in other words the total expenditures and total revenue will be approximately even but they may be both one hundred thousand dollars higher or a hundred thousand dollars lower and if those figures are made public and it is eventually, final adjustments are brought in and the final accounts are audited and prepared they are bound to be a few thousand dollars here and a few thousand dollars there of adjustment in working out the final -- for that reason the City would very much request that they ^{be}not asked to make them public. Now, we are quite willing to have them looked at, if anyone wants to look at the best information that is available but they have asked that they not be made public if your decision is the other way I don't think there is any alternative but to make them public. The problem is in terms of some minor adjustments which may become very difficult to reconcile when the final audited statement is made.

THE CHAIRMAN: Dr. Harries, do you think this of sufficient importance to urge the City to do this if it doesn't wish to do it?

DR. HARRIES: Well, what I am thinking of, sir, is whether--

THE CHAIRMAN: Mr. Moffat has said that they will be available to you to examine and make notes of?

A Well, I might add just one other thing that they will be available in final form to the Commission well before it finishes its report.

THE CHAIRMAN: Yes, will that be satisfactory, Dr. Harries?

1970

same figure

not data

total revenue

was a total expense

approximately even but they may be both one

thousand dollars higher or a hundred thousand

are lower and those figures are made

and it is eventually, final adjustments are brought

and accounts are audited and prepared

bound to be a few thousand dollars here and there

there of adjustment in working out the time

that reason

Now we are

at any time we are

in that is available at the time

made public in your decision

other way I don't think there is any alternative

take them public. The problem is in terms of

minor adjustments which may become very difficult to

reconcile when the final audited statement is made.

WATKINS: Dr. Harrison, do you think this is sufficient

to give the City to do this if it doesn't

do it?

Well, what I am thinking of, at any time

effect has said that they will be available

and make notes of

in just one other thing that they will

of course also

DR. HARRIES: Yes, sir, I think it would be but there is only this problem that the basis of this Exhibit 171E is not, does not correspond to the experience that the City have had in connection with their costs nor does their '54 budget and the fact that we estimated on the budget that there would be an increased expenditure, that is we estimated that there would be an expenditure increase over that budget suggested there would be and we have the expenditure figures which shows that we are right in that respect, it is about a half a million dollars up, then, in order to know what that, whether that is, the importance of that we have to have the revenue side and I think that you can't make any meaningful comparison with Exhibit 171 till you have them, I don't know whether they should be on the record to do that or not.

MR. ROBISON: Why couldn't the City provide you with a copy and provide the Secretary of the Commission with a copy and they don't have to go into the record, what is the matter with that?

DR. HARRIES: That will be first rate, sir.

A That is fine.

THE CHAIRMAN: Then you're agreed that that is the way we will do it. Mr. Garside, are you, perhaps you haven't been in touch with Mr. Dant yet?

MR. GARSIDE: No.

THE CHAIRMAN: Well, I have no way of knowing how long this discussion with Mr. Moffat and the questioning may take but I would suspect that it might be best to bring

There are some

There are some

their old budget and the fact that we estimated on the

budget that there would be an increased expenditure

that is we estimated that there would be an expenditure

increase over that budget suggested there would be an

we have the expenditure figures which shows that we

are right in that respect. It is about a half a million

dollars up, then, in order to know what that, whether

that is, the importance of that we have to have the

revenue side and I think that you can't make any more

ful comparison with Exhibit IVI till you have them, I

don't know whether they should be on the record to do

that or not.

ROBINSON: Why couldn't the City provide you with a copy

and provide the Secretary of the Commission with a copy

and they don't have to go into the record, what is the

matter with that?

That will be first rate, sir.

fine.

Then you're agreed. That is the way we

to Mr. Garfield, are you, perhaps you haven't

with Mr. Lane yet?

There is no way of knowing how long this

Moffet and the questioning may

specify that it might be best to bring

THE CHAIRMAN: (Cont.) Mr. Dant at two if he is available
at that time.

MR. GARSIDE: All right, sir.

THE CHAIRMAN: If not then, perhaps it could stand
over till the first of the week or if he is at liberty
to spend some time in these halls then you could bring
him and we could take a chance that this is finished
this afternoon and have him here then.

MR. GARSIDE: I will try to have him here at two.

THE CHAIRMAN: Adjourned until two.

(At 12 o'clock the Commission
is adjourned until 2 p.m.
and then reconvened.)

THE CHAIRMAN: All right, sir.

Now all the first of the week or thereabouts I like to
spend some time in these halls when I can. I often
think we could take a chance that this is finished
this afternoon and have him here then.

THE CHAIRMAN: I will try to have him here
two

(He looks at his watch)
I adjourn until 2:30
and then resume.

PROCEEDINGS AT 2:00 O'CLOCK

MR. MOFFAT: Mr. Chairman, we have a good supply of this exhibit now, so that everyone can have a copy.

THE CHAIRMAN: I will be a candidate for one, thank you.

MR. DAVIES: Exhibit 171.

THE CHAIRMAN: Yes, I would like to defer that for judgment for about an hour.

MR. GARSIDE: Mr. Chairman, I would like to introduce you to Commissioner Tweddle, those who have not met him before.

COMMISSIONER TWEDDLE: Thank you, sir.

THE CHAIRMAN: You are being introduced Commissioner Tweddle --

MR. ROBISON: Why doesn't Commissioner Tweddle come up here, come up to the "penitent's rail".

MR. GARSIDE: Mr. Dant is sick, he has been sick all week, but, I believe will be back on Monday, so, Monday morning at a quarter to nine, a quarter to ten.

THE CHAIRMAN: At some time on Monday, that is convenient for him?

MR. GARSIDE: Thank you, sir. Mr. Moffat will you continue the explanations of the pro forma budget please?

MR. MOFFAT: At the adjournment, I had just completed the material on the estimate of school costs, and, I don't think I need say any more about that part of it, unless there is some questions.

MR. DAVIES: There is a question.

A Yes.

MR. DAVIES: The question has to do with this.

... Mr. Chairman, I have ...
... at that everyone ...
... I will be ...

Yes, I would like to ...
... judgment for about an ...
... Mr. ...
... I would like to ...
... Inspector Tweddie ... those who have ...

not his before.
COMMISSIONER TWEDDIE: Thank you, sir.
THE CHAIRMAN: You are being introduced ...
Tweddie --
FOR: Why doesn't Commissioner Tweddie ...

Mr. Bell is sick he has been ...
... I week, but ... believe will be back on ...
Monday morning at a quarter to nine, ...
... At some time on Monday, ...
... which for him?

... any more ...
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...
...
... with ...

MR. DAVIES:(Cont.) you completed your school costs on the basis of what Edmonton grants had been?

A Yes.

Q On the original City basis?

A That is correct.

Q But, there was some place before in your submission, I heard something to the effect that you should get the same money as what Jasper Place would have got had it continued, now, are you disassociating yourself from that now?

A No, definitely not, we are making the estimates on the conservative basis that it might not happen, but, as soon as we complete it the next subject is what should be done about the grants, that is definitely one of the points involved, but this calculation is on the basis of continuing the grants per capita in the same rate they are now coming to the City. If there were extra grants that would improve the financial picture accordingly.

DR. HARRIES: Mr. Chairman, it would be very helpful to us if we could have the actual breakdown of the calculations used to estimate the educational costs. It is very difficult to follow precisely the procedure, because, the debenture debts left out, and the average between Separate and Public and so on. If we could have specific calculations, it would help us in connection with the examination on that point.

MR. MOFFAT: Well, this is a difficulty of which Dr. Harries has had examples himself, trying to explain these things on paper. I could not begin to put down all the considerations on paper, because, they take

...the ... of the ...

...there was some ...
I heard something to the effect that you ...
the same money as what Jasper ...
continued, now, are you disagreeing?

from that now?

No, definitely not. We are making these
conservative basis that is ...
soon as we complete it the next subject is ...
be done about the grants, that

points involved, at this stage ...
of continuing the ...
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grants that would improve the financial ...

likely.

Mr. Chairman, it would be ...
if we could have the ...
to estimate the ...

...and ...
...and ...
...and ...
...and ...
...and ...

...and ...
...and ...
...and ...
...and ...
...and ...

MR. MOFFAT:(Cont.) several pages of the notes, and some of it is not on paper at all, it is just in my head. As far as the basic figures are concerned I can give them to him, ^{quite easily} but, they are all taken from present exhibits. Now, if we knew exactly what it is he wanted, I could give it to him, but, I don't think I can undertake to tell him everything I know about the subject, because that takes a lot of words.

DR. HARRIES: Well, specifically, you mentioned this morning, and I wouldn't want to know all you know about the subject it's true. This morning you mentioned that ^{you took} the operating costs for Separate Schools and the operating costs for the Public Schools. You added them together, and divided by the number of pupils, and used that as a per pupil cost for the enlarged area. The thing that occurs to me if I understand you correctly is that unless you have same ratio of Separate to Public Schools ^{students} in the annexed areas that you have in the existing City areas, then you are making, your estimate is biased on the low side, because of the difference between operating costs between Public and Separate Schools, I just want --

A On that point the assumption is that the proportion is the same, and the School officials confirm that they thought that was reasonable estimate, the proportion of Separate and Public would be about the same. Now, as to the numbers, the Public School enrollment in 1953 was 23,925. The Separate School 6,112. Making a total of 30,037. The costs taken from the two

2. Several cases of the

of these cases

quite easily

him, but they are all taken from the

Now, if we know exactly what it is

could give it to him, but it's

in undertake to tell him everything I

subject, because that takes a lot of work

WARRIES: Well, specifically, you want to

the morning, and I would want to know all the

about the subject it's true. This

you look

found that the operating costs for separate

and the operating costs for the Public School

10 You added them together, and divided by the

of pupils, and used that as a per pupil cost

the enlarged area. The thing that occurred

I understand you correctly, is that

same ratio of separate to Public School

enlarged area that you have the existing

areas, then you are making your estimate

on the low side, because of the difference

operating costs between public and separate

that was

that point the assumption is that the proportion

and the School of Public School

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WARRIES

School of Public School

the two

- 4989 -

A (Cont.) exhibits which are already filed, I don't have the number marked on here immediately, and excluding the debenture charge in capital payments out of it from each of them, do you want them individually or do you want just the total?

DR. HARRIES: Well, Mr. Chairman, I didn't want to interrupt Mr. Moffat now to have him give the details. I thought if he had a calculation, it must have been based on starting with this figure and going from there down the line. I thought it would be very useful if we could have these figures, I don't want to interrupt now to ask for an explanation of each item?

MR. MOFFAT: Well, the problem is that the calculation was done and new information came, and it was changed a little bit, and more new information came up, ^{and that was changed.} The result is that the calculation got bigger and bigger, and I don't think anybody can understand it. I can myself from having worked through it, but, I can give you the individual information if you wish.

MR. ROBISON: What I understand Dr. Harries to mean. How did you produce the figure in column 3, namely, 6667, is that what you are asking?

DR. HARRIES: That is correct, sir.

MR. MOFFAT: That was prepared by adding the figure 708,000 onto the 1954 estimate, and then I went through in detail this morning the method by which the 708,000 was calculated. The basic figure was \$167.00 per student, which is the total operating

- 4990 -

MR. MOFFAT:(Cont.)cost of the two school divisions,
School Boards, divided by the total number of students
of the two Boards, and to that you add on the carrying
charges of the debt, that would be assumed.

MR. ROBISON: Is that enough Dr. Harries?

MR. MOFFAT: The total number of school children
involved is shown on the first page of Exhibit 171E.
So, you take that number of children excluding the
Griesbach Barracks, as I pointed out this morning.
You take that number of children, multiply it by
\$167.00 per student, get the total, and add on the
carrying charges on the debt. Subtract the Prov-
incial grant of \$27.00 per student, and you come
out to \$708,000.00.

DR. HARRIES: That is fine, that is what I wanted.

A I might say, I am quite aware of what happened because
I took the information Dr. Harries put in with respect
to Clover Bar. I had the same problem following it
through. I made tabulations for my own information
last night, and I hope we will have it in time to
file this afternoon, which will I think, get into
a convenient form the corresponding figures for
Clover Bar which you put in.

MR. ROBISON: Well, I assume all the experts
will agree on their figures to produce the same
result, on the basis of figures?

A They will agree on figures but, they won't produce
the same result I am afraid.

THE CHAIRMAN: Well Mr. Moffat, you said this
morning that, I am assuming now you have completed
your comments on the item for education?

100-100000

cost of the two school days.

words, divided by the total number of days

the school days, and so to get you add on the thirty

charges of the days, that would be

is that enough Dr. Harrison?

The total number of school children

received is shown on the first page of Exhibit

So you take that number of children, excluding the

children of the school, as I pointed out, this morning.

You take that number of children, multiply it by

1167.00 per student, get the total, and add on the

carrying charges on the debt. Subtract the

initial grant of \$27.00 per student, and you come

out to \$708,800.00.

DR. HARRISON: That is fine, that is what I

I took the information Dr. Harrison put in with regard

to the other part. I had the same problem following it

through. I made calculations for my own information.

last night, and I hope we will have it in time

this afternoon, which will

be a

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they were a present

you said

you have explained

that

that

A Yes.

THE CHAIRMAN: There are one or two others you wish to refer to?

A Yes.

THE CHAIRMAN: And, at the conclusion of those I presume you will be prepared for cross-examination?

A That is correct. Now, the next item I wanted to comment on was the item that appears as The Annual Cost of Extra Engineering Works, \$220,000.00. That item was discussed at some length when this material was first submitted, and Exhibit 29E was discussed at that time. Summarized briefly, Exhibit 29E is the estimate prepared by Mr. McDonald, the City Engineer, as to the cost of raising the standard in Beverly, and Jasper Place up to the corresponding standard for the City. He estimates four and one half million dollars as the cost of the roads, sidewalks, lanes, and storm sewers.

THE CHAIRMAN: Mr. Moffat?

MR. MOFFAT: Yes, sir.

THE CHAIRMAN: It isn't clear whether that is an annual charge, and if so for how long, and, or if it contemplates that ^{type of} expenditure say for a period of three years?

A I was just coming to that.

THE CHAIRMAN: Oh, you were?

A That is the capital item, that is his estimate of the total.

THE CHAIRMAN: Oh.

MR. MOFFAT: Then of course there is the sanitary sewer program which is now underway, but, this is the

Two & 1/2

of 11

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to country on the 1st of March 1911

Annual Cost of Extra Engineering Work, 1910

That item was discussed as some amount

material was first submitted, and Exhibit 100

discussed at that time. Summary, briefly,

100 is the estimate prepared by Mr.

City Engineer as to the cost of water

in Beverly, and water plant at the

standard for the City. He estimated from

half million dollars as the cost of the

works, James, and from Beverly.

Mr. McLean:

Mr. McLean:

It is a very large item.

on an annual charge, and it is for the long

it is implied that the expenditure is

three years

that coming to

of 100,000

that item, which is his

MR. MOFFAT:(Cont.) total capital item for the others, and, it would be financed in the usual way with respect to local improvement charges. His estimate is, I wouldn't say his estimate, but the estimate jointly between himself and the financial people of the City, is that approximately a million and a half out of that total would be local improvement charges, adopting the policy which the City now has, with the result there would be about \$3,000,000.00 to be chargeable against general revenue. Three million dollars capitalized over a twenty year period works out to an annual charge of 220 thousand, and it's this 220 thousand which appears on the Exhibit as the estimate. Now, that doesn't necessarily mean that the cost would be spread over the twenty years. Work could be done the first year, or the second year, that is what would be involved in the way of carrying charges to finance part of that program which is not chargeable as local improvements. Now, again, the question of the Province making some contribution towards that cost was raised in Calgary, and we propose to raise it also, but, the estimate here has been put in again on the conservative basis that there is nothing coming from the Province. If there is anything coming from the Province it reduces the expenditures accordingly.

MR. ROBISON: Mr. Moffat, just to clear up something in my mind, that I probably should know. How long did the City Engineer estimate it would take to put those improvements in, starting say the beginning of

total capital item for the others
and, it would be financed in the usual way with
respect to local improvement charges. His estimate
didn't say his estimate, but the estimate
jointly between himself and the financial people
of the City, is that approximately a million and
a half out of that total would be local improvement
charges, adopting the policy which the City now
with the result there would be about \$3,000,000.00
to be chargeable against general revenue. Then
million dollars capitalized over a twenty year
period works out to an annual charge of \$200,000.00
It's this \$200 thousand which appears on the
Exhibit as the estimate. Now, that doesn't neces-
sarily mean that the cost would be spread over a
twenty years. Work could be done the first year,
or the second year, that is what would be involved
in the way of carrying charges to finance part of
that program which is not chargeable as local
improvements. Now again, the question of the
making some contribution towards that
and we propose to make
and, out, the estimate here has been put in on a
conservative basis that it is a working estimate

Just to check up some-
body should know. How
estimate it would take to run

MR. ROBISON:(Cont.) any particular year, what would it be, a three year program?

A I asked him the question this way. If the money was there and you were told to go ahead, how quick could you do it, not how quick do you think it should be done, but engineering-wise how quick could you do it. He said on the basis of contractor-tendoring, bringing in outside crew and equipment and so on. He thought it could be done in one year if they wanted to do it. Now, that doesn't mean it should be done that way, and it might not be wise to do it that way, but, it would be a problem of where you could get the equipment and the construction --

MR. ROBISON: You would have to hire it, the City haven't the equipment to do that on their own?

A No.

MR. ROBISON: Involved in that of course is the question, the overall question of grants?

A Yes, and I think if there is any thought of the Province making a grant on this, it should^{definitely} be conditional that the work gets done in a fairly reasonable period.

MR. ROBISON: And the grant made annually on that basis?

A It could be either made annually or capital whichever way, I want^{to} discuss that at a ^{little bit of} length when we get into the next section.

MR. BLACKSTOCK: And depending on all those factors, that figure of two hundred and twenty might never be reached?

A As I say, that is the conservative figure, the two hundred and twenty. It looks like the highest figure that might be followed, or if the City might as a matter of policy if they had some spare money sometime decide to pay it off a little faster, that would be, that would be policy --

MR. BLACKSTOCK: Like other utilities?

A Yes.

MR. ROBISON: Or instead of building a City Hall?

A No, that is too late now, there is a commitment on that.

MR. DAVIES: Public Works Reserve.

THE CHAIRMAN: Mr. Tweddle may not be building up the same kind of reserve.

MR. ROBISON: Nickels and dimes.

MR. MOFFAT: Now, related to this is also the question of debt charges and what was done there was to calculate as nearly as we could get the information at the end of '54 the debt which was outstanding in Jasper Place, and Beverly, and Strathcona. In other words, the assumption that the full debt of Strathcona, of Beverly, of Jasper Place would be a charge against the new City, but, that the usual parts of it chargeable against other sources of revenue would continue. In other words, the debt taken over from Strathcona is chargeable entirely against water, and therefore, would be self-liquidating, and therefore does not appear as an item on the general budget. The sewer debt both of Beverly and Jasper Place is already set up on a basis, approximately half of it is charge-

- 4995 -

MR. MOFFAT:(Cont.) able as local improvements and that would be carried forward, and the balance of it would be taken in against the general public, or general taxpayers. All of those items added together, and again calculated on the annual carrying charges over a twenty year period to liquidate, and that item added onto the debenture debt which the City already has makes the figure. In other words, there is \$50,000.00 put in there per year for carrying that material, and that is pointed out at the bottom of page 1 of Exhibit 171E:

"The fourth assumption. That the sum of \$50,000.00 per year would be made available to pay financing charges on the following debt items which would be assumed."

And then the debt items are listed, which is the situation as it stood at the end of the year. And, it is indicated there which of those are self-supporting into how much.

DR. HARRIES: May I be permitted to ask a question just while we are on that subject. That assumes that if these things are self-supporting the water rates in Beverly, Jasper Place, and Strathcona for example, will still have their 35% surcharge. If they didn't have their 35% surcharge they couldn't be self-liquidating?

A No, and to the extent that that didn't happen there wouldn't be, that much extra would have to be raised somewhere else, that is correct.

DR. HARRIES: So the assumption in the City's budget is that the water rates in these other areas will

DR. HARRIES:(Cont.) maintain themselves at 35% above the existing City level?

A No, no, that wasn't what we were talking about at all. We have got the question of what to do about utility rates in that other chapter which we will eventually come to. This is for the purpose of calculating the maximum load that might fall against the general taxpayer. Now, if one of the areas is not self-supporting in respect to water for example, then there are plenty of odd areas within^{the} City surely that are not self-supporting, no attempt to calculate, say the Calder area should be self-supporting on^{it's own} water, more than any other area, should be self-supporting on water. The only assumption is that water will be self-supporting as a whole, and will liquidate its own debt. What that will involve for utility rates we'll have to deal with when we get to utilities. But, for the purpose of calculating how much is likely to fall back against the general taxpayer, that is not the basis on which it was proposed.

DR. HARRIES: May I be permitted one more question in connection with 29E that we don't understand?

MR. MOFFAT: Yes.

DR. HARRIES: I gather that the assumption is that there will be no expenditure for sanitary sewers in Beverly and Jasper Place other than those which have been made to date by the Town?

A No, not other than those which have been made to date, other than those which are involved in their

A (Cont.) present program. Now, I see where that leads to, and it leads to this. If, in the next year, 1955, before the thing comes into effect, more work has been done, and there are more debts, then you have to raise the calculation as to the debt which would be taken over, and that is perfectly true.

MR. BLACKSTOCK: But as to the future, your figure of \$220,000.00 takes care of the future?

A Except on sanitary sewers sir, sanitary sewers item has been left out and Mr. Harries pointed out, sanitary sewers are separate. Now, there is a number of other things, if you start going in and try to forecast what is likely to come ahead in the way of extra costs to extend, further ^{these} \angle services, then you have to also start in and estimate what is likely to happen in the way of increased assessments, for instance, you would have to take in the new land assessment and so on, and I think we have to take it on a little bit of faith. As the City grows and these new developments come, they will be reasonably self-supporting as long as they are all in, as long as all parts of the growth are in the one total, all parts of the costs are in the one total they must approximately balance. Now, you could never prove it in detail to the last figure, but I think if you don't accept that assumption there is something basically wrong with the whole root of municipal finance. It is not a question of boundaries, then you are into the root question whether the municipalities can support themselves

July 1955

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to be, and it leads to this, it is

1955, before the other comes in

work has been done, and there are

that you have to make the calculation

which would be taken over, and in

But as to the future, your

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Except on sanitary sewers and

has been left out and Mr. Harris

sewers are separate. Now, there is

things, if you start going in and try to

is likely to come ahead in the way of

extend, further, ^{these} services, and you

start in and estimate what is likely to be

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that, it has to take in the new land

so on, and think we have to take

bit of catch. As the city grows and

come, they will be

... the city is, as far

is in the city, all

as for

A (Cont.) under their present revenue, but, if you take it at a reasonable working assumption that the future growth will approximately keep up with future costs you can work on this basis. If you take the opposite position ^{that} it won't, then you have to do something much more drastic than anything we have talked about here, and that is another question altogether which in my submission very seriously is, if this commission gets involved in that one they will get led a long ways from the issue which is primarily

MR. BLACKSTOCK: We don't expect to live so long.

A No.

DR. HARRIES: Mr. Chairman, just so we are quite clear on this. The assumption made in Exhibit 29 is that it would not be necessary for the City to make any expenditure on sanitary sewers either in Jasper Place or Beverly to bring those two areas up to the standard that now exist in the City of Edmonton.

A No, that is not the assumption of 29. The assumption of 29 is that, he was only asked to deal with the other end, he wasn't asked to deal ^{with anything at all} ~~about~~ sanitary sewers. he was asked to deal with the items which he dealt with. The sanitary sewer question is not dealt with at all in 29. The sanitary sewer question is primarily one of how big is the debt the City is going to have to assume. If the present program which Jasper Place and Beverly have under way, and will serve the areas which are now built up, and, if as they go along they get into a larger debt the

- 4999 -

A (Cont.) City has to assume a larger debt, and the adjustment has to come in the debt charges, and to that extent the \$50,000.00 may not be high enough. But, if it is to be raised up then there are other things that have to be raised up to bring it into line.

DR. HARRIES: The assumption in your pro forma budget Exhibit 171E is that the \$220,000.00 which you had listed as the annual cost of extra engineering work does not concern itself in any way with the cost of sanitary sewers in Beverly or Jasper Place to bring them up to the standard in the City of Edmonton?

A That is right, the question of sanitary sewers is involved in debt charges rather than in that, that's right.

MR. BLACKSTOCK: None of those communities expect to have those services right away, they expected to have them over a number of years?

A That is right.

Q MR. BLACKSTOCK: Now, there would be part of the City to take the chance of, with other areas, of getting water and sewer according to the amount the City was able to borrow?

A That is correct, but this estimate was on the basis of what carrying charges would be involved if the debt was incurred right away, and it doesn't mean anything about the date as to when the thing would be put into effect.

MR. ROBISON: Just a pro forma figure then?

A Yes, that is all, ^{I mean,} that is all it calls itself.

DR. HARRIES: Well then Mr. Chairman, I don't want

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DR. HARRIES:(Cont.) to carry this discussion on unnecessarily. I am wondering if we could have an indication as to why sanitary sewers are kept out if they are a legitimate charge to future years. Why would we include storm sewers and not include sanitary sewers, let me put my question that way?

A I don't know if there is a real answer to why it was done that way. It just got started that way I think and it is in the two different categories.

MR. BLACKSTOCK: Well, I suppose if they haven't got sanitary sewers, I mean storm sewers and they are entitled to have them to be provided for them, but, as for sanitary sewers they will come in their turn sometime in the future.

A No, they have got to start on the program --

MR. BLACKSTOCK: But they have started it now?

A -- the real reason although it is not a good justification in answer to the point Dr. Harries is raising, but the fact is they have a sanitary program started last fall.

MR. BLACKSTOCK: Yes?

A And consequently when you started looking at it you had one problem dealing with that and one problem dealing with things they didn't have. You see, you started thinking in terms of two different categories, and it has just been carried forward, there is no logical reason for it, except you started thinking in two categories and, it was carried forward in two categories.

MR. BLACKSTOCK: Even if Beverly was left out

country with this kind of thing

Wondering if we could have a

sanitary sewers are kept out of them

is charge to future years

into storm sewers and not include same

Let me put my question that way?

I don't know if there is a real answer to

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and it is in the two different categories

BLACKSTOCK: Well, suppose it that

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as for sanitary sewers they will come

sometime in the future.

No, they have got to wait. The present

BLACKSTOCK: But the present

the real reason why it is not

in answer to the question. Not

the fact is they have a

consequently when you have a

had one problem dealing with that

and dealing with things they didn't have

that thinking to treat it as

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MR. BLACKSTOCK:(Cont.) in the amalgamation, they have started their first phase of their sanitary sewers?

A That is right.

MR. BLACKSTOCK: The second phase may not come for three or four years, it depends on the borrowing power?

A That is right.

MR. BLACKSTOCK: And, that is exactly the position they are in if they are amalgamated.

DR. HARRIES: If Beverly and Jasper Place had started on a program of sidewalks, would that be a reason, sufficient reason in your mind to leave out of your estimates of future costs, sidewalks?

A No, I didn't leave out the estimate of future costs, all I did was, I calculated one set of future costs in one term and I calculated another set in a different term. I'm not trying to justify any reason for leaving it out, I am not even trying to justify that particular division. All I am saying is that if you had done it the other way you would have had more in one, and less in the other and, about the same total.

MR. DAVIES: But, they are all in?

A They are all in, yes although, there is this fact that by the time the thing is made effective there will be some more charges building up for the future in respect to the sanitary sewer item, yes, and to that extent it should be very simple.

MR. DAVIES: The approach to this, I think, in Calgary is different, Mr. Moffat. I believe they have given us a figure that shows what the

... in the ...
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Mr.DAVIES:(Cont.) total per capita cost would be of putting a sanitary sewer in?

A Yes, because there was no program started there, I understand.

MR. DAVIES: Well , what's the difference between whether or not a program that started, if they only had been done to the extent of ten thousand or fifty thousand, or a hundred thousand, and if the program is a million and a half program, shouldn't we know what the total program is in amounts before we know what's involved. For instance, if I asked you now, ^{you} / say the program has started, I say, "Well, how much has been spent on the program." Well, if it were a million dollar program, and you tell me 990 thousand, and, all I am interested in is what the balance of the program to bring it up to City standards. But, if you tell me only ten thousand, or twenty thousand, or fifty thousand of the \$900,000.00 program has been spent well it makes a very material difference. As a member of the Commission I would certainly like to try and have these comparisons on extension of the City's facilities on the same basis in Calgary and Edmonton because, if, as, and when this Commission makes a report, those who are from Calgary will no doubt scrutinize to some extent the terms of what is recommended for Edmonton, and it will be in the same position at this end. There will have to be some balance, and some reasonable co-relation between the recommendations in both areas to be just and fair?

John. Total cost of the program would be.

approximately \$500,000.

Yes, because there are a number of factors.

Understand.

Well, I think the program is a very good one.

Whether it is a program that is really needed.

been done in the extent of the program.

fifty thousand, or a hundred thousand.

program is a million and a half.

We know what the total cost is in the program.

we know what's involved. For instance, if

you now say the program has been done.

how much has been spent on the program?

Well, it is a million dollars, or more.

tell me 500 thousand, and that is all.

in its whole balance - the total cost.

to 500 thousand, but it is not.

ten thousand, or twenty thousand.

\$500,000. The program has been done.

very material, I think.

Investigation I would certainly like to see.

company, or organization.

on the same basis as before.

as, and when the program is done.

There are other things that are being done.

and the program is being done.

- 5003 -

A Yes, that is perfectly true, to that extent, if I was doing it from the start I would be inclined to go at it that way. Now, seeing what I have seen in the meantime. But, the fact that it has been done the other way, I don't know how big a job it would be to get the extra information on sanitary.

MR. DAVIES: These people have their professional engineers?

A And they have their programs laid out.

MR. DAVIES: I think it is possible you might be able to get that information from their office.

A Well, I have got this here. When this question was first raised, there was some question, the four and a half million for the other part of the program might have been too low, and we asked Mr. McDonald to go again and take a look at it. I have his letter in reply to that inquiry and he does also give some information about the sanitary sewer program in the two areas. Now, it may be advisable to just file that letter. I am not prepared to stand by it as being correct, or incorrect, because, I haven't made any real effort to get to the bottom of it.

THE CHAIRMAN: It is not a long letter.

A Oh, no, just one page.

THE CHAIRMAN: Could it not be read and entered into the record?

A It could be that way if you wish.

MR. BLACKSTOCK: Well, isn't there another factor that enters into that. When Jasper Place started its sewer program first, they were completely in the

Yes, possibly.

I was doing it from the start to go at it that way. Now, seeing it all together, the meantime. But, the fact that it is the other way, I don't know how often it is possible to get the extra information on the subject.

MR. DAVIES: These people are not going to be

of importance.

A: And they have their program laid

MR. DAVIES: I think it is possible that

is able to get that information from this

Well, I have got this here.

First, indeed, there was some question of

and a half of time for the other part of

might have been too low. We were not

to go again and ask for

letter in reply to that inquiry

also give some information

answer program in the two

advisable to put this letter

prepared to stand by it as being correct

corrected

to not a letter

it was not a letter

Yes

which there another letter

from which letter started

- 5004 -

MR. BLACKSTOCK:(Cont.) shade, they were going to put water and sewer along blocks where there would be two houses. They just told them they couldn't do it, they wouldn't let them do it, and their present scheme services the built-up area, and the other areas will get water and sewer when it becomes economic to give it to them?

A Yes, although there is a perfectly legitimate question, one on which I would like to have information as well as everybody else if they thought of it sooner, how much ^{would} / the whole program have cost. Maybe just as well I read this letter.

MR. DAVIES: Well, just a moment before you read it, I think Mr. Blackstock has raised something. I think it is very important when you think of Calgary, they had an engineer survey down there, and my recollection the results are based on putting it in the built-up area?

A Yes.

Q Now, if you compare Calgary with Edmonton where these figures may be based on putting it in on an idealistic basis all over the place, the figures won't mean anything, not a thing. I think we ought to know, I think this Commission ought to know if we are going to compare two cities what we are comparing, otherwise we won't have anything worthwhile.

THE CHAIRMAN: I think Mr. Blackstock convinced them they had better stay with the built-up area.

MR. DAVIES: But these figures, what are they, are they based on putting sewer and water up and down all these streets?

and I feel

as a matter of fact, I think there is a

no reason. I just told him that I was

re) wouldn't let them do

and I think the

that area will get water and I think

somebody to give it to them?

A, although there is a

one on which I would like

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I read this letter.

DAVID:

It, I think Mr. Blackstone has raised something.

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section the results are based on putting it in

up area?

I don't know, I don't know

we may be having an idea

as all over the place, I think

not a thing, I think we ought

on order to know it we are going to

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THE CHAIRMAN: No, on the plan that the Board of Utility Commissioners approve, surely?

MR. MOFFAT: This letter here now, looking at it is in terms of what the debenture debt is at the end of 1954. Plus, in respect to Beverly, in 1955, the town proposed to borrow an additional \$150,000.00 to complete portions of sewer that will not be finished this year. Now, that doesn't tell ^{us} /anything about the total program, when I get to look at it.

THE CHAIRMAN: I suppose Ripley could give you that, Mr. Ripley?

A Yes, he was apparently the person who designed that.

MR. BLACKSTOCK: Well, Mr. Brown of Haddon, something and Brown, Haddon Davis and Brown designed Jasper Place, I don't know what the projection was?

A Yes, I don't suppose it would be too hard to ask those questions, and find out.

MR. HAYES: I am curious about this letter now.

THE CHAIRMAN: I am not nearly as curious as I was, because, it doesn't seem to give the information we thought it was going to give?

A No, well, I read you the paragraph with respect to Beverly, the paragraph with respect to Jasper Place says, "We are advised by the Town Engineer of Jasper Place the total borrowings by the Town for sewer presently total \$1,068,000.00 of which \$468,266.00 is general and \$599,934.00 is local improvement debt. It doesn't deal with the other question at all.

MR. ROBISON: What I would like to be clear on, is the estimate based on the figures and the analysis of the Board of Public Utility Commissioners in

into further work

of what the defendant

of 1954, this, in respect to Beverly

town proposed to borrow an additional

to complete portions of sewer lines

this Now, that doesn't tell anything

the total program I got to

I suppose a party could say

that, Mr. Ripley?

Yes, he was apparently the person who

MR. BLACKSTOCK: Well, Mr. Brown of Haddon

and Haddon I via a Brown design

I don't know what the program was

Yes, I suppose it would be

those questions and find out

I am not sure about

I am not really

I suppose, it doesn't seem

action we thought it was better to give

I need you to be a program

says, we are advised by the Town

the total program was

essentially total of

I am not really

doesn't seem to be

MR. ROBISON:(Cont.) some application, or is it based on the estimates of some engineering survey independent of the Board of Public Utility Commissioners?

A In respect to the sanitary sewer, it is not on either one. It is based on simply taking over the debt as it stood at the first of January this year, it does not include the extra extension.

MR. BLACKSTOCK: And the future of the sanitary sewer will take care of itself?

A That is the basis on which that was prepared, yes.

THE CHAIRMAN: Well, I think you should go on and complete this, you will probably get enough questions too?

A Yes, well --

MR. DAVIES: Just before you go on, Mr. Moffat, I am sorry Mr. Chairman. Let's assume that the matter was followed through in the way you had?

A Yes.

Q MR. DAVIES: And that in two years the annexation of Jasper Place took place, and then in two years time there's further work needs to be done on sanitary sewers. Now, as I comprehend it, you ideas well, that will just be part of the total City problem?

A That is right.

Q In the normal course of events?

A That is right.

Q But, what proportion roughly speaking would that be going against, the land there it abuts on and against the general revenue?

A Roughly fifty-fifty.

Blackstone,

wise of some engineering survey in

a board of public utility companies.

It is based on the sewer power.

It is based on the sewer power.

as it stood at the time of January 1st, 1900.

It does not include the extra extra power.

MR. BLACKSTONE: And the future of the sewer?

sewer will take care of itself.

A: That is the best which that is.

THE CHAIRMAN: Well, I think you would be

complete this with the sewer.

I am sorry to

was followed by a woman in the way.

Yes.

MR. CAVENDISH: And the sewer?

But these people are

of the sewer?

of the sewer?

- 5007 -

Q And, does that take us, does that take us right into the property?

A No, to the property line.

Q To the property line, thank you.

MR. MOFFAT: I was just trying to think in my head quickly, what the magnitude might be here. Suppose there was an extra million dollars of debt to be assumed by the City, and, if you are going to finance it over twenty years.

MR. DAVIES: Well, I can tell you, two and a half per cent is \$64,000.00 a year approximately, amortized in twenty equal annual payments?

A So, that is about the size of the item that might be involved. Somewhere in that range of total, spread over a ^{total} budget of \$20,000,000.00.

MR. ROBISON: It is awfully small compared with education, isn't it?

A Well, that was the kind of magnitude I was trying to work in my head quickly. And now, with respect to the local improvements charges, the only comment I want to make is, the local improvement item, is the present local improvement charges of the City plus the present local improvement charges of Jasper Place and Beverly, and the assumption is that whatever happens to that item the corresponding change happened on the revenue side, so that the local improvement charges does not enter into the ^{general} budget at all. Therefore, it is carried as a separate item down at the bottom for that reason.

MR. BLACKSTOCK: And, you have, what is it, \$15,500.00 purchase tax on forfeited property, of course that isn't

take as that was the case

the property?

to the property line

to the property line, thank you.

My first objective to this

my need quickly. What the magnitude of

Suppose there was an extra million dollars

of debt to be assumed by the City.

are going to finance it over twenty years.

WELL, I can tell you, the

half percent is \$64,000.00 a year

amortized in twenty

So, that is about the size of the rate that might

be involved. Somewhere in that range of total

spread over a budget of \$200

R. ROBINSON:

education, isn't it?

Well, that was the kind of magnitude I was talking

to work in. Ahead of

to the local improvement charges. It is a

I want to make the local improvement

present

appears to be a form of

the revenue side, so that the

of the

10,000

some

- 5008 -

MR. BLACKSTOCK:(Cont.) very much?

A Yes, that is part that is paid out of general city revenue in respect to the property which is owned by the City, which they are holding and haven't yet disposed of. That is an expense to the City, but it also is a revenue of the City over as one of the tax items.

THE CHAIRMAN: That completes this phase?

A Well, I just wanted to go back now just briefly to construction and improvements, because, it is a very great difference between 1953 and 1954. You see the 1953 actual was 649 thousand, and the budget was 140 thousand. And, if you look at Exhibit 205 which is the one which shows the approximate expenditures that actually happened in 1954, as I pointed out, that item has been used to more or less absorb some potential surplus, and consequently, that particular item is open to any kind of adjustments which may be appropriate in the light of the policy as to what would be charged current, and what would go to capital. So the assumption is that there is about 14,000 extra be put into that item which is a ten percent increase in the item, but, anything can happen to that in the light of the policy decision which council makes at the time.

MR. GARSIDE: Mr. Moffat, I just wanted to be clear about this question of the omission, apparently, of the capital charges in connection with sanitary sewers. What I would like to ask you is whether the omission of that amount, if it was, would distort this particular schedule you have been making to

(1000000)

and it is in fact in order to

and revenue is received in a

owned by the city which is

very important that is a

and it also is revenue

of the tax items.

THE CHAIRMAN: That is correct

A Well, I just wanted to

to construct

very great difference between

You see the 1955 actual was

budget was 150 thousand

exhibit 205 which is the one which

have expended more than actually

related out that item for

least absorb some capital

that particular item is open

which may be appropriate

as to what would be

to capital. So the

in 1955 extra

a ten percent increase in the

and to that in the

and

and

the question of the

the way you

in

and

MR. GARSIDE:(Cont.) any great extent, if so to what extent?

A Well, I am not in a position to give any guess even, as to what the total of that might be, and I think we should have it looked at, but, if it was a \$1,000,000.00 to be chargeable against general revenue it would be approximately 60 thousand on the total, which would make a difference of a third of one percent.

MR. GARSIDE: How would you express that in mills, for example, the present mill rate?

A It would be maybe, decimal one five or decimal 015, I am not sure which.

MR. DAVIES: One third?

A One third of a mill.

MR. ROBISON: Point 333.

A Point 333.

MR. GARSIDE: When you illustrate that?

A Yes, that's right, point 3 of a mill.

MR. GARSIDE: When used by way of illustration \$1,000,000.00, is it likely that the amount will be much more than that?

A I really don't know sir. I would think that that is reasonably close to the estimate, not of the total, but of the additional over and above the program which has already taken in here, namely ^{the program} as it stood in terms of debentures at January the 31st, 1954.

MR. GARSIDE: Now, I think you wanted to make some comment in connection with schedule number 9 of the Strathcona Brief. Before you do so I would like to ask ^{you} if there is any resemblance or comparisons

I am not in a position to give any

as to what the total of that might

had have it looked at but, it is

1,000,000,000 to be charged against

revenue it would be approximately 60 per

the total, which would make a difference

third of one percent.

MR. ARSLAN: How would you estimate

for example, the present mill rate

A: It would be maybe, decimal one five or decimal

I am not sure which.

MR. DAVIES: Is that

One third of a mill

MR. ROBINSON: Point 333.

A: Point 333.

MR. GARDNER: When you illustrate that

Yes, that's right, point 3 of a mill

MR. ARSLAN: When used the way

0.00, is it likely that the

on't know if it would

many cases of the estimate

additional cost of a survey and

MR. ARSLAN: I think you wanted

to think you wanted

specific with schedule

to before you do it would

be necessary to complete

MR. GARSIDE:(Cont.) with relation to the statement
you just read in the pro forma budget in schedule
9, are they in any sense comparable, or are they
made for somewhat similar purposes?

A Well, they were made for the same purposes in
attempting to get an estimate of what kind of mill
rate would likely result over the whole city, but,
they didn't come to the same answer by any means.

MR. GARSIDE: Mr. Harries was asking for certain
particulars which you apparently hadn't got in your
working notes, is there anything to indicate in
his statement where he got his information from,
or how he used it?

A Well, no, I don't think quite as much as there is
in mine, but, I haven't any doubt the information
on which he was working was reliable as far as
getting the figures are concerned. I must say I
am not clear in my own mind just what assumptions
he made there, and frankly I am not too concerned
about them as a matter of fact. I think the Comm-
ission will have to make its own decision as to
which one is closer to reality. I don't think
anybody has claimed their's is perfect and it's
the final result. I think that is about all I
have to say.

MR. GARSIDE: Let us take for example the fact
that he had not included this capital charge in
connection with sanitary sewers, or if he missed
any other important item out, how would you know?

A You couldn't tell, you couldn't tell at all any of

...they are any more...
...and for somewhat similar purposes

Well they were made for the...
...steering to get an...
...rate would likely result...
...they didn't come to the...
...Mr. Harris...

...figures which...
...working notes, is...
...is statement...
...or how he used it?

A Well, no, I don't think...
...in mine...
...in which he...
...getting the figures and...
...am not clear in...
...made there, and the...

...if I have to make...
...closer...
...there is about all

...the fact...

...of the...
...you know...

- 5011 -

A (Cont.) the detail as to any of the items at all, there would be none showing. It is a completely different approach, it doesn't pay any attention whatever to an analysis of the individual categories or groups. It does take an overall approach which works in theory in a good many cases, to take an overall approach to these kind of things, and it is of interest to compare this total if you look at the total here of the increase in expenditures.

Q On your pro forma?

A On my pro forma budget. It works out as an estimate increase of approximately 10% for a population increase of approximately 10%. What we have done is work through the individual items, and we have come out with approximately the percentage increase equals the percentage increase in population, which tends to confirm the general position which he was taking. He was suggesting an increase of 1% was equivalent to 1.2, which means that 10% would be equivalent to about 12. Well, I am not going to argue for 2% on this thing one way or the other. It might be 10% or it might be 12%, the range of error, the range of error would be much larger in this kind of debt.

MR. DAVIES: Mr. Moffat?

A I am sorry. There was some other assumptions in that Exhibit 178 besides the assumption that 1.2 of an increase on expenditure for every one percent of population, and I must say, I don't understand it.

the detail as to any of the things.

There would be some showing of the things.

Efficient approach, it doesn't say any more.

Whether to an analysis of the individual's response.

It does take an overall approach which

in theory a good many things to say.

Overall approach to these kind of things.

It is of interest to compare the two.

The social role of the factor in the system.

There are four.

in the form of a system.

increase of approximate 10% for a system.

increase of a maximum of 10% for a system.

It work through the individual.

come out with approximate 10% for a system.

equals the percentage increase in the system.

less to about

this thing is not so much as

it might be the thing of error.

of error would be much more than this.

There is

There was some other, I don't know

person.

MR. GARSIDE: Have you any other comments to make in connection with Exhibit 178E?

A No, I don't think so.

MR. DAVIES: There is one thing I want to get clear now. In Calgary we were given this budget which was estimated how much would be required to bring Montgomery, and Bowness, and Forest Lawn up to the same rough standard, I should say general standard of Calgary. Now that figure was around 6 million if I remember correctly. Now then the submission in Calgary is, the submission is that we are not in favour of any annexation or amalgamation unless the central government comes in and picks up that \$6,000,000.00. Now, that is as I understand it, roughly speaking?

MR. ROBISON: That is what the City of Calgary says?

MR. DAVIES: That is the City of Calgary's official position. Now then, is the Commission to understand here, Mr. Moffat, as far as the City of Edmonton is concerned, that they are willing to take in Jasper Place and Beverly. Just assume all their, assume their debts, take over whatever debentures they have on hand, what funds they have on hand, and let the capital program advance itself in the normal course of events as if it had been in the City for 5, or 10, or 15 years like any other part of the City; and absorb those capital charges into the total debt of Edmonton as if they had been a part of Edmonton originally?

Q. Have you any other comments?

A. Connection with Exhibit 1737?

think so

There is one thing I want to

of Calgary we were given the figures

which was estimated how much would be needed

bring Montgomery and Bowness, former Bow

to the same rough standard as

standard of Calgary. Now that figure has grown

6 million. Remember correctly, then?

the submission in Calgary is

that we are not in favour of any annexation or

amalgamation unless the central government comes

in and picks up that

as I understand it, roughly speaking?

A. That is the idea, yes.

That is the idea, yes.

cial position. Now then, in a submission?

understand here, I am not sure.

Now, you are concerned, but I am not.

are in Jasper Place and Revelstoke.

are, assume their case, but what?

there, they have on the

I feel the same way about it.

court of appeals, and so

of course, under order.

of course, under order.

A No, all that was done was to calculate this in terms of what the cost would be if it was done. Now, I don't know if this is the time or a little later to state what the proposal is with respect to the point raised.

MR. BLACKSTOCK: That will be in another chapter.

A That will be in another chapter, now, it may be just as well to do it right here, or to keep it as another chapter.

MR. DAVIES: Well, the only thing --

A This calculation is on another basis.

MR. DAVIES: Is it at this stage, in this last chapter you have been dealing with, I am not clear now what it provides they are going to get. For example, certainly there isn't in there provisions for the sanitary sewers.

A No, that has to be added in.

MR. DAVIES: I mean capital-wise it isn't there. Now, as far as water is concerned you accept that would be needed because sewer and water is what we have been talking about, nothing has been heard about that, so, I don't know what the situation is on that?

A It is all in together; the sewer and water program in the same position.

MR. DAVIES: Thank you, I don't necessarily want the discussion here, but I hope it will be clear when you are through just what ^{the} position is in that respect?

A Well, in brief terms the position is this. The total cost of these kind of programs should be charged in

- 5014 -

A (Cont.) three divisions. The first, the ordinary local improvement charges against the property, and then the balance split fifty-fifty between the Province and the City.

MR. DAVIES: Well, in other words, what you said before, the property owner, you said on sewer, now, you meant water too, and absorbing half of it, roughly speaking 50%.

A Yes, but not on storm sewers.

Q On sanitary sewers?

A On sanitary and water.

Q And on his water, also taking 50% of it there?

A That is right.

Q And your proposal is that 25 come from the Provincial and 25 come from the City?

A Yes, in other words, the ordinary ^{local} improvement charges would go ahead, be approximately 50% on sanitary and water and, well, no, not on water, it works more than that, because, more of it is chargeable against the users of water as well. You have got to take that item, 50% roughly on streets and sidewalks, but, the storm sewer program, the normal progress goes against the general charge against the City as a whole, but whatever it goes the local improvement charges go and the balance would be split fifty-fifty.

Q You know some of the houses have a direct connection from the house to the storm sewer, and when you say normally the city absorbs all that you are ^{not} including from the property line into the house, of any houses it would be connected to?

A No, no, just the facilities on the street.

...the ...
...the ...
...the ...
...the ...

...the ...
...the ...

A: Yes, but not ...

Q: ...

A: On ...

Q: And on his ...

A: That is ...

Q: And you ...

A: ...

Q: ...

A: ...

Q: ...

A: ...

Q: ...

A: ...

Q: ...

A: ...

- 5015 -

MR. ROBISON: Are we still dealing with 178E,
table 9?

A Well, that was the only ^{comment} I had in respect to
178E, what I have already made.

MR. ROBISON: I think it was made clear before,
I want to ask you directly again. I was concerned
as I intimated that this increase in industrial
mill rate due to annexation, 34.2 mills or 43%,
have you got that in front of you there?

A Yes.

MR. ROBISON: Now, am I correct, that you disagree
with that altogether?

A Yes, I think that the operation could go ahead on
the basis of 53 mills.

MR. ROBISON: Over the whole area?

A Over the whole area. Now, whether or not it will
go ahead on that will depend on the policy of the
City but I think it is pretty well demonstrated
by the figures that are available that it could
go ahead on the basis fo 53 mills. Now 53 mills
would be a substantial increase above the present
25 mills in that area.

MR. ROBISON: But, your assessment basis?

A But on the other hand the assessment basis would be
down quite substantially. An increase of 34.2 mills
on a 25 mill basis is not 43%, it is 143%. Let me see,
if you go up from 25 to 50, that is 100%. If you go
from 25 to 59.3 it would be 143 rather than just 43,
but, our calculation is that the total cost, the figure
put in by Mr. McDonald's evidence relates ^{roughly} 40%, 39%,
39 to 40 percent.

What was the only

what I have already

I think it is

I want to ask you directly

as I indicated that this increase in

will rate the

have you not had an increase in

Yes

Mr. Robinson:

with that

Yes, I think that the operator could

beats of 55

Mr. Robinson: Over the whole area

Over the whole area Now, whether or not it

to ahead on that will depend on the

City but I think it is pretty well

figures that are available

to ahead on the beats to 55 miles

could be a substantial increase

55 miles in that area

Mr. Robinson: Yes

on the other hand the same

is substantially

All beats is not

to 50

to 50

to 50

to 50

to 50

DR. HARRIES: Just so the record is clear, that 43% doesn't indicate the increase, the percentage increase in mill rate. It indicates the percentage increase in taxes, I believe that was stated, it isn't clear on the exhibit, but when it went in, and the city estimate was 40% instead of the 43?

A Yes, so that the two, the explanation it is not very far different. That is on the assumption that the present assessment policies of the city would be applied in those plants, and then we have the separate consideration whether something is to be done about the assessments on some of these plants. But, if the city program of the assessment practices goes into effect, it will be something in the nature of 43%.

THE CHAIRMAN: Have you anything to say in your chapter on grants in regard to this, or have you said your say on assessment?

A We have said our say on assessment, I haven't anything more to say.

THE CHAIRMAN: Now, there may be other questions, but on the other hand I think we should have the afternoon break now, and then I think I am correct in assuming your general statement so far as this chapter is concerned is complete?

A Yes, on the expenditure side I wondered if we might just look for a moment on the revenue side of the thing. I haven't anything very concrete to say there except to draw attention to one or two figures on the revenue side.

THE CHAIRMAN: Are these minutes of yours going to last all day?

A That depends entirely on how many questions I arouse by the comments, the comments will certainly be not more than two minutes.

MR. BLACKSTOCK: Governed by interruptions.

THE CHAIRMAN: I think we will postpone the questions. Urge that the interruptions be minimum and give you the two minutes?

A You might right now?

THE CHAIRMAN: Right now?

A Well, as to the revenue side, which is the last page of the exhibit 171. The general tax item is calculated as stated in the assumption on the basis there is \$26,000,000.00 worth of assessment in the total area, and that 53 mills was applied to it. Now, we know that some of the assessments have increased already, in Jasper Place and Beverly additional assessment, but this is on the basis assuming that ^{it is} 26 mills. Secondly it is on the assumption there is a million and a half dollars worth of business tax which is based on Mr. MacDonald's figure that in general the business tax assessment is about eight percent of the industrial assessment, and if there is \$20,000,000.00 worth of industrial assessment there is about a million and a half of business tax assessment.

MR. ROBISON: That's a million three hundred and fifty thousand here, isn't it?

A A million, yes, that is one hundred and fifty thousand

- 5018 -

A (Cont.) increase, the one hundred and fifty thousand increase you see represents the extra tax of a million five hundred thousand of assessment. The business tax assessment is a million and a half. The business tax is \$150,000.00, that is added onto the other. Now, I might go back just to clarify, I said about 40% increase on taxes in the industrial area, or, I was talking realty and business total. The other items on the revenue are I think self-explanatory. The Municipal Assistance Act is simply \$7.55 multiplied by the number of people, and, if the rumors are correct there will be an extra grant there of some sort, but, that depends what happens. Then of course you are into the utility profit question, which I don't think we need to elaborate, it was covered quite thoroughly, the assumption is ^{that} there is about \$40,000.00 extra on utility profit, which would be a little less than 5% increase on it, now, it might not work out that way, it might work out a little better. That is all I have to say on that.

THE CHAIRMAN: All right, we will adjourn until 3:10.

(At this point the Commission adjourned
until 3:10 p.m.)

(and) increase, the one hundred

and more, as you see, to

a million five hundred thousand

the business tax assessment is a million

business tax is \$15,000.00, that

the other. Now, I think a

about 2% increase on that

or, I was talking really and really

The other items on the revenue

explanatory. The Municipal Assistant

simply \$7.50 multiplied by 10

and, if the rumors are correct, that

and there of some sort, but

happens. Then of course

profit question, which I don't think

elaborate, it was covered just

that assumption is there about \$10,000.00

activity profits, we

increase on now

way, it might work out first

all I have to say on that.

THANKS. All right, we will adjourn

(At this point the Commission

3:10 P.M.)

MR. GARSIDE: Mr. Chairman, Mr. Moffat is going to get the necessary information on capital costs of sanitary sewers and is going to adjust his exhibit accordingly and give you the result later. Now, I would like to ask Mr. Moffat something more about Schedule No. 9.

MR. BLACKSTOCK: Before you leave that, though, Mr. Garside, I think you have given Mr. Moffat a pretty impossible job.

MR. GARSIDE: Well, he volunteered himself.

MR. BLACKSTOCK: Is he going to find out for us the capital cost to run water and sewer on every street and avenue in Jasper Place and Beverly?

MR. ROBISON: That is the point.

A No, sir, my understanding of what was requested, was to get the information as to the total cost of the present program which they have underway out there.

MR. BLACKSTOCK: Which is the second stage as I understand?

A Yes, not to go beyond the present built-up area, the projects that are now underway. How much of them are charged in as of January '54 as we cut it off, and how much more would be charged in and have the jobs finished.

MR. BLACKSTOCK: That is according to the engineers' program?

A Yes.

MR. GARSIDE: Now, in connection with Schedule No. 9, that is based, I believe upon the fact, not on assumption but on the fact which is apparently ^{that} admitted ~~/~~for every one hundred people who come here

MR. GARSIDE: (Cont.) there is a cost for one hundred and two?

A 100%.

Q I would like Mr. Moffat to make some comments in connection with that.

A Yes. It occurred to me that I may have left a wrong impression with the Commission on that point. I don't think there is any question that the history is that when people come into an area, if they increase the population, say by 10%, the cost will go up by more than 10%. I think that is perfectly clearly established in general, and Mr. Harries suggested that in this area an increase of 10% in population was approximately equivalent to an increase of 12% in cost. I don't disagree with that, in fact, I think if anything he might be a little on the conservative side; if he is talking in terms of new people coming into the area and causing very substantial increases on the cost of the basic services of the community, but ^{if} those services are already provided, and if they are being paid ^{for} by the present main city, simply putting the city boundary out around a few more people isn't going to increase those kinds of cost particularly, so I don't agree in theory that an increase of, in the nature of which a city gets by changing its boundaries has got any necessary relationship with the increase in cost which you will get if more people come into

Mr. (Govt.) there have been some difficulties

could like Mr. Mott to make some comments

connection with that.

Yes. It occurred to me that I may have left

any impression with the Commission regarding

I don't think there is any question that the

that when people come into an area, it

increase the population, say by 10%, two or three

up to more than 10%. I think that's

established in general, and in

suggested that in these areas an increase of 10% is

action was approximately equivalent to

in cost. I disagree with that

I think it anything but right to

anyway, as in the case of the

coming into the area in

that there are in the cost of the

of the community, but these are

ready, and if they are being

a present main city, simply put

and it would be a few more people

there are those kinds of

is in theory that an increase of

a city goes by changing the population

relationship with the increase

of it more people come into

A (Cont.) the area and more cars come downtown, and more people want to use downtown and so on.

The other comment I wanted to make was that even if you assume that is true, in other words you take the Edmonton City budget, and there are 10% more people to be brought in the area by this way, so you assume you take the present Edmonton City budget and you increase it by 12% just to see what will happen. Where my figure indicated an increase of a million eight hundred twenty five on the total excluding the local improvement charges. If you put it 12%, it would be two million 086, in other words a difference of \$260,000.00, and \$260,000.00 is not nearly enough to explain the difference between 53 mills and 59 mills. It might explain one mill difference.

Now, I don't agree that when you have this kind of thing happening it is proper to apply percentage to anything like that. To be specific, I don't think because you take in 10% more people you have to add on 12% to airport costs, or cemetery costs, or to all the different downtown recreation facilities, I don't think you have to add it on to the existing debt charges, because the existing debt charges are there, and you bring some more in you don't add it on.

So, there are a number of those kind of things which make me think that the increase will not follow the pattern that you get when you have a

the area and more cars come downtown, and
people want to use downtown and so on.
The other comment I wanted to make
that even if you assume that is true, in other
you take the Edmonton City budget, and there is
more people to be brought in the area, or if
so you assume you take the present Edmonton
budget and you increase it by just
will happen. Where my figure indicated to mean
of a million eight hundred twenty five in the total
excluding the local improvement charges. If you put
it in, it would be two million 680,000, or about worth
a difference of \$250,000.00, and \$250,000.00 is not
nearly enough to explain the difference in
mills and 52 mills. It is right explain one
difference.
Now, I don't agree that when we have
a kind of thing happening -
centers to anything like that.
don't think because you take in 105 you would
have to add on 125 to six
every costs, or to all the different down
tion facilities, I don't think you have to add
existing debt charges, because
that as are there, and you
don't add to on.
So, there are a number of these kind
like that the increase will
then you have a

- 5022 -

A (Cont.) growth on a historical basis year by year. I just point out that even if you do have that kind of an increase, it still wouldn't explain anything more than about \$200,000.00, and then you are involved in whether \$200,000.00 is a major or a minor item in a budget of this size; just about one and a half percent of the total budget, about one mill.

MR. DAVIES: It would be about one mill on the new area?

A Yes.

MR. DAVIES: Thinking of 1953 as one hundred eighty thousand, one mill.

A Yes.

Now, I want to leave the impression; I said, I don't think that there is any doubt that there will be a range of error. Now, it is a range of error of that sort that I am talking about, the difference of a couple of hundred thousand dollars one way or the other on my figures, I wouldn't be the slightest bit surprised if I am that far off, but I don't think I am that far off that would make the difference that is involved in 59 mills.

MR. ROBISON: One million two hundred thousand would be 6 mills approximately?

A Yes.

MR. ROBISON: That is the difference there, isn't it?

A Yes, and you see the total on my estimate is one million eight, so that it means I am almost 100% off if it is going to be 59 mills. I don't think it is double.

MR. GARSIDE: Now, the next chapter --

... and ...
... is ...
... about \$250,000.00, and then ...
... whether \$200,000.00 is ...
... a part of this ...
... percent of the total budget, about ...
... DAVIES: ... it would be about ...

... Thinking of 1973 ...
... thousand, one million.
... Yes.
... Now I want to leave ...
... said, I don't think that there ...
... there will be a range of error. Now,
... error of that sort that I ...
... difference of a couple of hundred ...
... one way or the other on a ...
... at highest but surprised at ...
... but I don't think I am that ...
... the difference that is involved ...
... One million ...
... approximately?

... That is the ...
... my ...
... I am almost ...
... million ...

1-D-5

R. E. Moffat - Garside Ex.
- Brownlee Ex.

- 5023 -

THE CHAIRMAN: A new chapter now? Well, are there any more questions on this chapter? I fancy there are.

MR. BROWNLEE: Yes, we have some questions, Mr. Chairman.

THE CHAIRMAN: Yes. I am grateful for your desire for speed, Mr. Garside.

MR. BROWNLEE EXAMINES THE WITNESS:

Q Mr. Moffat, the first question I would like to ask you is this, as I understand it from your estimated revenue data.

A Yes.

Q There is going to be an increase in the business tax of about \$150,000.00?

A That's right, that is the estimate.

Q Now, are you in a position to estimate the portion of that which would be payable by the industrial concerns which make up the twenty million dollar assessment, and reduce that to a mill rate? Our estimation is that it would be equivalent to a seven mill rate which the industries would be called upon to pay over and above the 53 mill rate.

A Yes, if you do the arithmetic that way, that's what it comes to. The \$150,000.00 on business tax assessment would undoubtedly come almost entirely from industry, and if the assessment is \$20,000,000.00, that is equivalent to seven mills.

Q Yes.

A And that was included in the figure when I said 40%, that was part of the 40%.

Q That is the property tax that 40%?

A No, no, that is property and business total, that is

new chapter 7
on this chapter 7 I think there are
Yes, we have some questions Mr. [?]
Yes, I am grateful for your [?]

Carroll.

EXAMINING THE WITNESSES

question, would you

this, as I have stated in [?]

revenue data.

Yes.

There is going to be an increase in the [?]

of about \$150,000.

That's right, that is the estimate.

Now, are you in a position to estimate

of that which would be payable to the [?]

interests which make up the twenty million

assessments, and return that to a [?]

estimation is that it would be equivalent to

seven, all rate which the [?]

upon [?] my own and show the [?]

Yes, if you do the arithmetic that [?]

the \$150,000 on the [?]

it would undoubtedly come [?]

Y, and if the [?]

- 5024 -

A (Cont.) the total tax.

Q Well, we will have to check Mr. MacDonald's evidence, because it is our understanding that he referred to the property tax only.

A No. I will tell you what he did, and we worked that very carefully to be sure of it.

He took into that calculation, if the business tax was so much, what would the corresponding assessment be. There is a conversion in there in order to be sure that the two items were taken in. I know, because he and I worked very carefully on that statement to get a total picture.

What we were looking for there was the total picture, what tax is being paid by what area now on realty and improvements, and at 25 mills, and what tax would that area pay if it came into the city and got a lower assessment and a higher mill rate, and got off the machinery and got on to the business tax, and we tried to take them all in, and that was very carefully done, I am sure, and the 40% is the total overall effect.

Q Now, just continuing on the last question I asked you, you would agree that the total, the effective total for industry would be 60 mill rate, not 53?

A It is the same as it is in the city at the present time on the same kind of industry, yes.

MR. ROBISON: What does this mean? Mr. Brownlee asked you would it be 60 mills, is that what you asked, Mr. Brownlee, or 60%?

MR. BROWNLEE: 60 mills.

have to check Mr. [unclear] [unclear]
is our understanding that he [unclear]

very tax only.

I will tell you what he did, and we [unclear] that
very carefully to be sure of it.

He took into that [unclear]

business tax was so much, what would the [unclear]

assessment be. There is a conversation in there

in order to be sure that the two items were taken in

I know, because he and I worked very carefully on

statement to get a total picture.

What we were looking for there was

total picture, what tax is being paid by what area

now on realty and improvements, and at \$2 million and

what tax would that are pay if it came into the city

and get a lower assessment and a higher mill rate

lot of the machinery and a [unclear]

and we tried to get them all in, and that

very carefully done, I am sure, and the [unclear]

overall effect.

Now, just continuing on the last question, [unclear]

agrees that the total, the effective

industry would be 60 mill rate, [unclear]

kind of industry, [unclear]

is that what you

60 mill, is that what you

MR. ROBISON: What is your answer to that?

A Yes, in the same way it is in the city now on firms, they are paying 53 mills plus business tax.

MR. ROBISON: Well, you never think of it, though, in terms of that kind, 53 mills is your realty tax and your business tax is something else altogether.

A Yes, that's right, but I am agreeing with him that if you do the arithmetic and add it up, it is the same as if it was 60 mills on the realty, and that applies to industry within the city at the present time, and you can do the same arithmetic for any other industry.

Q MR. BROWNLEE: So that as far as the actual mill rate is concerned, forgetting the assessment for the moment, as far as the actual mill rate is concerned the two figures to be compared are the 25 mill rate in Strathcona and the 60 mill rate in the city?

A I think we agreed long ago that there was no use looking at mill rates without paying some attention to assessments.

MR. ROBISON: Mr. Brownlee, just to clear me up, would that 25 mills, to make that comparison valid, would that include the personal property?

MR. BROWNLEE: There is no personal property. Excuse me a minute, sir.

A Mr. Garside suggests that we should also add on the ten mills that is buried in the power rate, so we would get up to 70, ~~while~~ while we are adding up these kind of figures.

MR. DAVIES: You surprise me Mr. Garside, you are weakening.

... your answer is that
... way in the city now
... saying 55 is plus business
... Well, you never think of it, though
... of that kind, 55 mills is your basis
... and your business is something else
... Yes, that's right, but I am agreeing with
... you do the arithmetic and add it up, it is the
... as it is 60 mills on the water, and the
... to industry within the city at the present
... you can do the same arithmetic for any other
... industry.

Q. Now, Mr. Brownlee: So that as far as the actual mill
rate is concerned, forgetting the assessment at the
moment, as far as the actual mill rate is concerned
the two figures to be compared are the 55 mill rate
in Strathcona and the 60 mill rate in the
I think we agreed long ago that there was
looking at mill rates without paying of
to assessments.

A. ROBINSON: Mr. Brownlee, just to clear me up would
the 55 mills, to make that comparison valid
they include the personal property
BROWNLEE: " is no personal property.

... that we should also be
buried in the power rates, so

- 5026 -

MR. BROWNLEE: It is drawn to my attention, sir, that the only additional tax on the industries is the stock-in-trade on industrial, the stock-in-trade assessment on the industrial plants which last year amounted to \$7,880.13 on the total.

Now, referring to your projected budget, Mr. Moffat, am I correct in assuming that that is a hypothetical budget for the whole area if they had been included in 1954?

A Yes, and in terms of what would have been possible to do on that kind of a mill rate. It is not a suggestion that that is what the council should do, it is just this is what it would have been possible to do on 53 mills.

Q All right, now, just to make the record clear, if you would make a comparison between 171E and 205E.

A Yes, I have been doing that for the last two or three days.

Q Yes.

Now, I would suggest -- I wanted to point out first, Mr. Moffat, as your exhibit shows that out of the total number of expenditure items there are fourteen of them in which the 1954 actual expenditure exceeded the 1954 budget. Now, just to check them with you, the first would be general government?

A Yes, \$200,000.00 difference on that one.

Q I just wanted to get the items on the record that make up the fourteen I mentioned.

The next is fire.

SECRET-CONFIDENTIAL

in the interest of a change which last year

was \$2,880,13 on the total.

Now, let me go to your question about

correcting the assumption that

hypothetical budget for the whole area it has

been included in 1954.

A Yes, and in terms of what would have been possible

to do on that kind of a mill rate. It is not

a suggestion that that is what the council would

do just this is what it would have been possible

to do on 23 mills.

All right, now, just to make the record of it, if

you would make a comparison between 1951 and 1952,

yes, I have been doing that for the last two or three

Now, I would suggest - I wanted to point

out, Mr. Elliot, as your exhibit shows

of a total number of expenditures from 1951

seven of them in which the 1951 and

exceeded

- 5027 -

A Incidentally, probably one of the items in there is the expense of this Commission, the same way it is in the Strathcona budget.

Q Yes.

Well, the first was general government, and the next was fire.

A Yes.

Q Police?

A A fairly big one on police.

Q Yes.

Protective inspection?

A Well, I am sorry, not so big on police either, it is \$22,000.00.

Q Well, I wasn't too concerned really with the amounts for the moment, I just wanted to confirm that the actual exceeded the estimate in these items, and you agree on police, and then protective inspection?

A Well, if we could just go along with it quickly, Mr. Brownlee, there are really two items major in the thing. There is the hospitalization item and the construction and improvements on public works, they are the two biggest ones.

Q Mr. Moffat, I am not concerned with whether the difference is very large or very small, I just wanted to note the fourteen items. Protective inspection, the actual exceeds the estimated, do you agree?

A Well, yes, I guess so.

Q Street lighting?

A I hadn't been following that close. I would be very amazed if any of them came exactly the same.

Q All right. Well, I am just going to mention the

from in
in
a no

Well, the first was general average
the cost was five.

fairly big one on police

Protective Association

Well, I'm sorry, not so big on police with

Well, I wasn't too concerned really with the
for the moment, I just wanted to confirm the
actual exceeded the estimate in these items, all
agree on police, and then protective association?
Well, if we could go along with it and
Mr. Brownlee, that are really two items, also in
thing. There is the hospitalization and the
construction and improvement of public works

the two big ones.

Well, I am not concerned with whether the
these very large or very small, I just wanted
note the fourteen items. Protective Association
it exceeds the estimate, do you agree?

I would go
the same

Q (Cont.) rest and I am sure the figures speak for themselves. Construction and improvements. Incinerator and scavaging. Sewer maintenance and street cleaning. Provincial City Hospitalization.

A Sewer maintenance and street cleaning is down.

Q Six eighty nine was the actual and six forty two is the estimated.

A Oh, no. Oh, yes, I'm sorry, I'm sorry, I was looking at the wrong column.

Q And Provincial city hospitalization.

A That was the big increase.

Q The Royal Alexandra Hospitalization.

A That was the deficit that was actually bigger because there were more patients coming in from all over the place.

Q Yes.

Charitable grants, recreation and community services. Tax discounts.

A Yes.

Q Now, the next point I wanted to draw to your attention is that a comparison of 54 actual expenditures on 205E and the projected budget shows that with respect to six items which I will mention, the 1954 actual expenditure was equal to or greater than the expenditure estimated in the projected budget, is that right?

A That's right.

Q For the enlarged area?

A That's right.

Q And those items are general government where they are equal, construction and improvements.

rest and I am sure the figure
Government and improvement
Bower
City

maintenance and street cleaning as
Six eighty nine was the actual and six ten

is at
Of yes, I'm sorry, I'm sorry

the wrong column.

at provincial city hospitalization.

was the big increase.

Royal Alexandra Hosp

There was the deficit that was actually from

Operable general, respectively

entry service Tax discount

Now, the next point I wanted to make

is that a comparison of the actual amount in

1958 and the projected amount shows that

which I will mention, is

to be greater than the

A Which is where I pointed out before is the balancing item, yes.

Q Sewer maintenance and street cleaning, provincial city hospitalization, Royal Alexandra Hospital and recreation and community services.

Now, the next matter I wanted to just mention briefly is with respect to street lighting and traffic signs.

A Yes.

Q Now, I find it difficult to understand how, when you are doubling the area of the city, the increase which you show is actually about 50% of the increase from '53 to 1954.

A You know how much was spent for street lighting last year in Jasper Place and Beverly?

Q No, that's what I am trying to get --

A \$3,000.00 in total for '53. If you multiplied it by five you would still only make a difference of \$15,000.00.

Q Well now, are you going to bring those up to standard?

A Yes, presumably.

Q Well, the point I am getting at is --

A Somebody might suggest they bring them up to the standard of Calder, I don't know. The significant point --

Q I don't think we would be happy with that.

A No, but the significant point is, no matter what you do with that item it isn't going to amount to enough to make much difference. The estimate was on the basis of bringing it up quite substantially in excess of the present standard. It is on the basis of

A (Cont.) spending an extra \$10,000.00 on that item, whereas the last information of '53 was that there was about \$3,000.00 being spent.

Q Well, now, I would like to turn to street maintenance, and as I read your figures, you have suggested an increase in expenditure for street maintenance of approximately 15%?

A That's right.

Q Now, I am concerned with that again, because you are doubling the area, you are taking over the streets in Jasper Place and Beverly, and you are taking over some fairly extensive roads and highways in the municipality, particularly I draw to your attention the fact that you might be required to take over the black top highways 14 and 16.

A I know.

Q Is it your understanding that you would be required to take those over?

A Under the present arrangement, yes, and that is something we have something to say about when we get to Provincial grants, but the, that is one of the questions that has given us a great deal of concern, just what is the proper figure there. An increase of 15% is not by any means exorbitantly large, but still it is a lot of money to go into street maintenance and snow removal. Now, remember the snow removal item is a pretty big item, and the snow removal is not so big into that kind of a situation. The snow removal item is primarily the downtown hills problem, so you have got one against

2 at extra \$10,000.00 on

the last information of 1953

was about 30 to 40 years

now, I would like to turn to street

as I read your figure, you have estimated

as in exp-----

of approximately 15%

That's right.

Now, I am concerned with that again, because you

are making the error, you are taking over the

in Jasper Place and Beverly, and you are taking over

some fairly extensive roads and highways in the

municipality, particularly I draw to your attention

the fact that you might be required to take over the

black top

is it your understanding that you would be required

to take those over?

Yes, the present agreement, yes, and that is

something we have something to say about when we

to Provincial grants, but that is one of

sections that has given us a great deal of

just what is the proper time there. At

of 15% is not by any means exact and

still it is a lot of money to go into

changes and snow removal. Now, remember

I am a

into that kind of

room is primarily

we have not one against

- 5031 -

A (Cont.) the other. The maintenance of streets is probably more than 15% and snow removal is probably less than 15%.

Q Did you --

A We went over that very thoroughly and a good many times.

Q Did you make up your projected budget on the basis of taking over and maintaining those two black top highways?

A Not specifically in an estimate of what would take to maintain them, but being conscious that it is a problem that would be involved, yes.

Q Is it possible to get a breakdown as to how you did make up your budget figure for that item?

A Well, just let me make this comment on that item, the Province is now paying a small grant to the city, \$500.00 a mile on the highway, so that there is a small offset there on black top highways, but the estimate was not --

Q That would appear in the revenues, wouldn't it, the allowance?

A We didn't put it in on the revenues, no. I mean, we didn't raise the grant estimating that that would be an item. It is taken in as a general item into -- now, wait a minute, I am talking too fast; it certainly wasn't taken into revenue item anyway, and it is a factor to take into account, but we did not do a detailed analysis of individual roads in any sense of having a total series of figures to be added together. The judgment of the engineers

The minimum of

more than 15% and snow removal is

an 15%

You make up your projected budget

in taking over and maintaining those two

things?

I specifically in an estimate of what would

estimate them, but being conscious that it

broken that would be involved, yes.

It's possible to get a breakdown

make up your budget figure for that item?

Just let me make this comment on that

Province is now paying small amount

500 to a mile on the highway, so that there

small offset there on blacktop highways, but it

estimate was not --

It would appear in the revenue, wouldn't it?

the allowance?

It's not in on the revenue, no.

It's also the great estimate of that

It is taken as a general

figure, I am talking too fast.

Let's take in into the revenue

to account, but we

analysis of individual items

- 5032 -

A (Cont.) and the men who know a good deal about it was that one will offset the other to some extent, and it is clear that it will be likely more than 10%, so 15% seemed a reasonable figure.

Q How high could it go, did you make any estimate of that?

A No. I don't think it is possible. I think if we turned an engineer loose and told him to send as much money and make as good roads as possible he would go to an unlimited figure. It is what would be a reasonable thing for a council to provide. I don't think you can get a definite answer to it.

Q Well, just let me ask you this one more question, as I say, I have difficulty in understanding how you computed that part of your projected budget, and does it seem reasonable that if you doubled your area that the cost of road maintenance is only going to be up 15%?

A Yes, yes, if you have got most of your road maintenance cost concentrated in the other part of the area, and particularly when you have got that snow removal item. If it was only roads, I would agree with you.

Q What proportion of that figure --

A Snow removal is approximately 25 percent of the total of that figure.

Q Of the eight twenty nine?

A Yes, a little more than 25%, maybe close to 30%.

Q And if we doubled the area, is 30% of the cost for snow removal?

and the man who knows a good deal about it

that one will of course be likely to come

it is clear that it will be likely to come

to this seemed a reasonable thing

and then could be got, if you have any of the

Yes, I don't think it is a very good

we turned an eye in the road

and much money and make as good roads as possible

would go to an undisturbed future, if it were

be a reasonable thing for a council to consider

but I think you can get a definite answer to it

Well, just let me ask you this question

I say, I have difficulty in understanding how

computed that part of your investment

it is reasonable to say in your mind that it will

that the rest of road maintenance will be done

Yes, it is not a very good

at present rates in the other

I particularly when you have got that

Yes, it is only a matter of time

reputation of the thing

and it is a very important thing

that

A Yes, you wouldn't have a very great increase on the snow removal cost. You would have some, yes.

MR. ROBISON: Mr. Moffat, I would like to ask you this, does this Exhibit 171E reflect the best judgment of all the city officials involved, for example the Engineers Department and the street paving, and the utility people, is it their best judgment on the basis of the expansion of this area expressed in estimates in this exhibit?

A Yes, sir.

Q MR. ROBISON: These aren't your figures?

A Only in the sense that I coordinated and brought them together, and took part in all the discussions along with the particular officials who were best qualified to deal with the particular sections of it, and then eventually with all the Commissioners.

MR. ROBISON: And I assume then that Commissioner Tweddle would adopt these figures as reasonable estimates based on the processes used?

A He is right here, you can ask him.

MR. ROBISON: Well, I think --

A He certainly was involved in preparing them.

MR. ROBISON: I think I am going to ask him that.

THE CHAIRMAN: But not right now.

MR. ROBISON: Well, there is no time like the present.

THE CHAIRMAN: He has to be sworn.

DR. HARRIES: With your permission, sir, I have one or two questions in connection with the city assessors --

A Well, excuse me, do you wish to have Commissioner

very close in on the

I cost. You would have some, you

Mr. Hoffman, would like to know the

Exhibit 17E reflect the best thing

the city officials involved, for example, the

area department and the street paving, and

expansion of this area

this exhibit?

Mr. ROBINSON: These are figures

in the sense that I coordinated and brought the

together, and took part in all the discussions

with the city officials who were part of the

to deal with the particular sections of the

eventually with all the Commissioners

ROBINSON: Am I a sure that that County

date and about these things as a

figures based on the previous

He is right here, you can see him.

Well, I think --

was involved in

I think I am going to ask you

But not right now.

explanation, and I have one

suggestion with the city

10-D-16

R. E. Moffat - Brownlee Ex.
- Dr. Harries Ex.

- 5034 -

A (Cont.) Tweddle --

MR. ROBISON: No, I can wait.

THE CHAIRMAN: Yes, if we want him, we can call him to answer that question.

MR. ROBISON: I am going to ask him that question.

THE CHAIRMAN: Yes. All he needs to do is nod his head and I would have accepted that as being sworn.

MR. ROBISON: He can't show, it is not on the record, Mr. Chairman.

THE CHAIRMAN: I am sorry, Mr. Dyer for this by-play.
Where are we at now? Oh, yes, Dr.

Harries.

DR. HARRIES EXAMINES THE WITNESS:

Q There was one or two questions, sir, I wished to ask.

With regard to the suggestion that the figure given of 40% given by Assessor MacDonald for the increase in the taxes paid by the industry?

A Yes.

Q I understood you to say that that included the business tax, is that correct?

A Yes.

Q Well, now, I am wondering if you would look at your exhibit 171E, and there you have stated that the \$20,000,000.00 would be the assessment in the industrial area?

A Yes. Most of it on industry, but some of it on the general land in the area, yes.

Q Well, now, then, what would be the assessment on industry?

A I don't know.

all in

I am going to ask him that question.

UNIDENTIFIED: Yes. All he needs to do is not

and I would have accepted that as being

MR. ROBINSON: He can't show it is not on the

Mr. Chairman.

I am sorry, Mr. Dyer for this reason

Where are we at now? Oh, yes.

EXAMINING THE WITNESS

the one or two questions, and I want

With regard to the eggs that the

figures given of the given by the

increase in the taxes paid by

understand you so say that that figure

tax, is that correct.

Yes, I understand it if you would feel as you

1971, and there you have stated that the

100,000.00 would be the assessment in 19

industry, but some of it on the

Yes, yes.

What would be the assessment on

- 5035 -

Q Well, I thought --

A That is the best estimate we were able to get in the general discussion with the assessor of Strathcona that approximately \$20,000,000.00 represented the whole area. No, not --

Q Would represent industry?

A No, I think it was the whole area, but there is not very significant difference between the two, because there is not much there except industry in terms of total assessment.

Q Would you disagree with me if I suggested that the figures you got from Strathcona indicated that the \$20,000,000.00 would be the assessment on industry?

A Well, I don't think so, because when Strathcona put in their exhibit on what assessment would be left to them if this enlargement went in, they figured, they subtracted that same figure, I think, if I am not mistaken.

Q Well, I don't want to take any time, but will you assume with me that the assessment on industry will be \$20,000,000.00?

A Yes. Exhibit 189 when the calculation of what would be left to Strathcona, it deducts that same figure from the total, so apparently it is the whole thing. That's what I was depending on.

Q Well, with an assessment of \$20,000,000.00 and a mill rate of 53?

A Yes.

Q The tax payable would be \$1,060,000.00?

A Yes, approximately.

the best testimony we were able to get in

confrontation with the assassin

rather than approximately \$20,000,000

presented the whole

id retrograde industry?

No, I think it was the whole area but there

very significant difference between the

there is not much except industry in terms of

total assessment.

Would you disagree with me if I suggested that the

figures you got from Stratton indicated the

the \$20,000,000.00 would be the

and

it is what I want

enlargement very

as a result

and I want to come out with but will

the amount of the

the amount of the

to Stratton, it doesn't seem likely

the whole thing, so apparently

what I was depending on

the amount of \$20,000,000.00 and a

- 5036 -

Q And the business tax would be one hundred forty thousand on top of that?

A Yes, approximately.

Q So the total tax would be 1.2 million?

A Yes.

Q And the actual tax paid by industry in 1954 in the Municipal District of Strathcona, it is on the record was \$828,000.00?

A Was that 25 mills on forty one --

Q Thirty three thousand one hundred thirty nine.

A Yes, that's industry alone, yes.

Q So that the difference between the taxes that industry would pay in the city in 1954 if the annexation had taken place, and which they actually did pay in the M.D. of Strathcona would be \$372,000.00?

total tax would be 1.2 million

the

total amount of \$250,000.00

is less than \$2 million

is less than \$2 million

is less than \$2 million

is less than \$2 million

is less than \$2 million

is less than \$2 million

is less than \$2 million

is less than \$2 million

A Well, no, now, just a minute. First of all that assumes that the whole twenty million is industry.

Q Well, I asked you to make that assumption with me, because I think for purposes of discussion it is accurate.

A Now, let's get the figures, a million two as against eight hundred and some thousand?

Q Eight hundred twenty eight thousand.

A Yes.

Q So that would be three hundred seventy two thousand?

A Yes, and that is, out of eight hundred thousand, that's about 40%.

Q It is actually, if you calculate, Mr. Moffat, I think you will see it is 45%, and so the figures given by Mr. MacDonald, it would appear if they were only 40% it did not include the business tax. The business tax is the additional five percent.

A All you have to do is look at that Exhibit number, what is the exhibit number.

Q Would you disagree with the calculations that I have made in that ?

A No, I am not disputing your calculations, but all I am saying is Exhibit 131, I think that is the one takes the business tax into the calculation as best he could do it. I think you will find the difference between the 40 and 45 is probably in that other item, or it may be that the arithmetic has not come out exact when you apply it on the over all instead of to an individual industry.

Q I have one more question, sir, if I may; did the Fire Chief in his examination of the area make an examination

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hundred thousand

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could you disagree with the calculation
made in that ?
No, I am not disputing your calculation
any more Exhibit 111, which shows
figures for three other
than you will find the difference
very in that other item

Q (Cont.) of the industrial area of Strathcona?

A I don't know how thorough he did it. I can give you his report, if you like, but in general terms what he recommended was a new fire hall over on the east and south side. Now, I can give you the actual copy of his report if you want to look at it, or if you want to file it.

Q I just wondered if he considered the problem of fire protection to the industrial area.

A Yes, he did, very definitely, and also took into account the fact that already the City is having to carry reserve equipment as a stand by for that area anyway, so that it wouldn't have to carry so much extra to deal with it, but he did think primarily in terms of a new fire hall in that area, probably located fairly close to the present boundary.

Q Well, now, you said that the City has to carry now extra equipment to look after that area; could you indicate, or obtain for the Commission the amount of extra equipment the City carries to look after that area?

A No, you can't earmark it, but the fact is that knowing they have these stand by agreements, the Council are continually under pressure from the fire underwriters, you are getting your equipment spread too thin and you will have to put in more, and you can't tie it down to any particular one, but right at the present time there are representations being made by the fire underwriters that more equipment should be put on, because it is getting spread a little too thin, and that includes taking into account the whole area.

Industrial area of Detroit
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Q And that is due to the industrial area, at least in part?

A In part, it is the whole general growth.

Q So there is a cost to the City of fire protection in the industrial area?

A Some, but you can't estimate it to the exact amount.

Q Would it be of any significance at all?

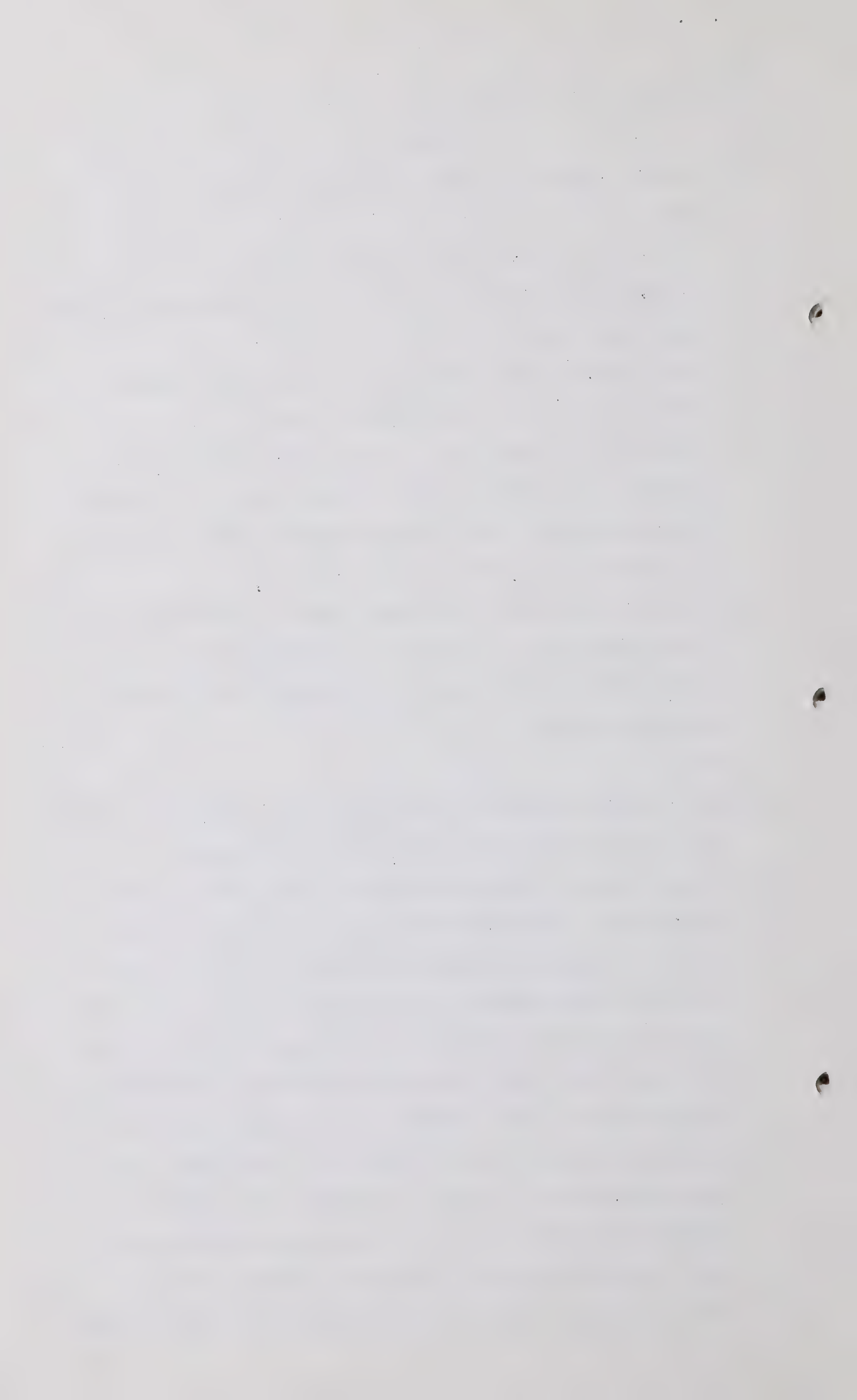
A Yes, well, it might be. I don't know how you would estimate it in exact terms. It might make a difference between having to buy another big unit and not, that is the kind of problem you are into.

Q Well, in connection with the estimate by the fire chief of an additional, I believe it is \$230,000.00 a year for fire protection for Beverly and Jasper Place and the industrial area?

A Yes.

Q Do you know whether that would maintain the same standards of service as the City now has ^{for} fire protection?

A Well, it would maintain two extra fire halls, and to some extent a new fire hall, say on the Stony Plain road in Jasper Place would serve partly back into the City, and the same way a new fire hall in the south side near the east end. On the other hand, there is a fire hall now fairly near the east end on the north side which they think will serve Beverly, so you can't really tie it down to saying this is exactly for this area, but on balance that's the way he sized up the situation as meaning that if the boundaries were extended out that way and this area was in, this is probably what it would involve as far as the fire department is concerned.



Q Do you believe that the City of Edmonton could police Jasper Place, Beverly and the industrial annexed area of Strathcona for the same cost as they are now being policed?

A I don't know, that's what the police chief said. He put it a little lower figure than what the actual figure that was carried into the budget was, because we thought he was being a little too conservative and we raised it. I can give you that report too if you like.

Q So it is your opinion that you can actually police these three areas cheaper than they are now being policed?

A Oh, oh, no, no, but cheaper than for the corresponding population in the City. Oh, no, not cheaper than they are now being policed, no, no, definitely it will cost more.

Q Do you have any idea what the present police costs are in Jasper Place and Beverly only?

A I think so.

Q Would you agree with me if I suggested that they are approximately \$50,000.00?

A Just a minute, 1953 I showed thirty nine thousand.

Q Well, I think if you --

A They may be up for this --

Q Well, if you check the 1954 figures you will find that they are approximately \$50,000.00.

A Yes, it could be, because they would definitely be up. Now, the police chief's report in terms of crew; you see, he would make use of the existing detective bureau and all the rest of the administration of the enquiry

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about, 1952 I showed thirty

think it you --

approximately \$50,000.00

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of the existing situation

evaluation of the entire

- 5041 -

A (Cont.) and the central headquarters, but he thinks he would need five extra men at Jasper Place and three at Beverly at a salary cost of \$3627.90 each, but to this total should be added approximately \$270.00 each which is the annual cost to the Department per person for uniform, telephones, etcetera. In addition to this, there would of course have to be taken into consideration the amount which is contributed by the City for the pension fund and the various types of group insurance, and taking that all into account, he comes to a figure of \$32,000.00, and we put in \$50,000.00.

Q Well, now, I think you agreed with me that it is not your suggestion that the City could police Jasper Place and Beverly and the industrial area of Strathcona for the same price, for the same cost as is now paid for police services in Beverly and Jasper Place?

A That's what the police chief said.

Q Well, did you agree with that, or didn't you?

A Yes, I think his figures are fairly reasonable of what would be involved, because you don't have to have a police chief, you don't have to have a head office administration organization at all, you just have, he thinks that many more men to go in there and patrol it just like you do patrolling in one of the adjacent parts of the City.

Q I am sorry I didn't make my question clear. I understood you to agree a moment or two ago that you couldn't police, the City couldn't police Jasper Place and Beverly and the industrial area of Strathcona for the same cost as Jasper Place and Beverly now pay for police protection?

A I agreed with you that I didn't think that that was likely

I have extra work at

the salary cost of \$3637.00 each year

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D-6

R. E. Moffat - Dr. Harries ex.
Robison ex.

- 5042 -

A (Cont.) what would happen, but I quoted you what the chief thinks he could police it for, and if that happens to be less than what they are now paying, then I must be wrong in my first impression that it would probably cost more.

Q Thank you.

MR. ROBISON QUESTIONS THE WITNESS:

Q Mr. Moffat, why would the fire underwriters suggest that the City ^{might} be interested in what goes on outside the present City borders?

A I didn't say that the fire underwriters suggested that they would be interested.

Q You said they were getting --

A What they are doing is looking at the existing agreement and arrangements that are now in effect and saying, in the light of you having taken those kind of commitments on we think if you were involved in a bad fire in some area you might have too much of your equipment out there if a second fire turned up somewhere else. It is not that they are suggesting that the City should be involved, they are just taking the facts as they stand and say the City is involved and spreading things too wide.

Q Merely on the basis of those agreements?

A I think so, it is my understanding.

Q Are you sure?

A No, I am not sure.

Q Are you sure that the fire underwriters are not interested in the fire department of the City of Edmonton having some responsibility along the present borders?

Harriet ex.
- 5042 -

that would happen. But I guess you want the
links he could police in for, and if that
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probably cost more.

1204

Why would the fire underwriters at
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It is not that they are suggesting that it is
be involved, they are just taking the facts as they
and say the City is involved and suggesting that
wide.
None on the basis of those arrangements.
think so, it is my understanding.

A I have never heard any discussion that would suggest that that is the basis of the approach, it might be.

Q Well, I suggest to you that the fire underwriters in setting their rate have regard to the fact that there is a first class fire department in this area.

A Oh, yes, there is no doubt about that, and that would apply in all three of the adjacent areas. The rates would be much higher if they didn't have the stand by equipment.

DR. HARRIES: I think, as a matter of fact, if you have an agreement, if you're outside the City and you have an agreement with the City to send a pumper, that it makes no difference in your fire rate from having no agreement, so that the, as far as fire insurance rates outside the city are concerned, if there is a fire department in the City it doesn't affect the fire rates outside the City in the industrial area.

MR. ROBISON: That isn't what I said though.

DR. HARRIES: No.

MR. ROBISON: Not on the basis of the agreement, Dr. Harries, simply the fact that there is in this area, as in Calgary a first class fire department immediately available, I suggest that it affects fire rates, and it would affect fire rates in the industrial area. That is, it affects fire rates we have heard in Calgary with the C.I.L. plant and with the, the other plant down there, the ammonia plant.

A Incidentally, I was quite interested in this report just the other day of the refinery fire in Regina which gives the first illustration I had seen of the kind of thing

on board any of these

at the basis of the agreement

I suggest to you that the fire department

settles their rate have regard to the

a first class fire department in this case.

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HARTER: I think, as a matter of fact

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ROBINSON: That isn't what I said though.

No.

Not on the basis of the agreement

that there is

a first class fire department

have been in Calgary with the

the other plant down

D-8

R. E. Moffat - Robison ex.
Davies ex.

- 5044 -

A (Cont.) that you have to think about some time.

MR. DAVIES EXAMINES THE WITNESS:

Q Mr. Moffat, at the present time when any pavement is erected in the City, the practise as I understand it is that up to 26 feet, 13 feet is charged against the property on each side?

A That's right.

Q And then if the City, if the City for any reason wants the width of the pavement to go beyond 26 feet the City absorbs the total cost of any width in excess of 26 feet?

A That's right, for the main roads and the roads that are being used for transit and that kind of thing.

Q In fact, anything they want to have go beyond the 26?

A Yes.

Q Then we won't get into what happens when they have to put a heavier base down below for transit purposes, I suppose they absorb that themselves, but it doesn't matter much on this discussion. What I want to get at is this, reference was made to pavements out in the industrial area a while back, supposing in some of these, if for instance annexation took place generally speaking around Edmonton and the boundaries were considerably enlarged above what they are now, and the City was going to put a strip of pavement as an access road to the City, and they thought it was necessary, there was a lot of traffic on it, and they decided to pave that road.

A Yes.

Q And it is passing agricultural lands, parcels of 21 acres and so on, would it be the policy of the City then

is that up to 20 feet, 3 feet is the height of the

property on each side?

That's right.

Is that if the lot is 100 feet wide?

The width of the pavement is 20 feet

the total cost of the lot

The main road and the road on

is used for transit and that is

in fact, anything is to have no road on

Yes.

We won't get into that before when

pass down below

about that height

What I want to see is

reference was made

then a while back, suggesting in some of these

instead annexed on took place recently

and the boundaries were considered

that they are now, and the

is meant as an access road

was necessary, there was

needed to have that road.

trial lands, parcels of 21

of the City then

- Q (Cont.) to charge 13 feet on each side against the property, or would the flanking rule apply, or what rule would apply there? We know what applies on corners in the City, but what would be the City policy on that?
- A I think maybe that is one we better take notice of the question. That is one we have not discussed.
- Q Well, then --
- A And we probably should consider.
- Q Yes. It is a very important one, and one that goes with that, Mr. Moffat, is of course the question of gravel.
- A Yes, it is related.
- Q In the same way, because with an enlarged area you run into properties that might be a quarter of a mile or a half a mile long conceivably, and if the ordinary rule of the City applies there, despite how much some of the acreage sells for someone might want to abandon their property, so some other rule would have to be devised.
- A The basic position is that the traffic in these areas adjacent to the City is primarily not related to the area adjacent to it, it is primarily traffic to and from the City, and therefore of interest to the City and to the rural area, and in recognition of that the province is now paying for those trunk highways or main access roads, and it does not seem reasonable that because the City boundaries are extended the province should be relieved from any cost, and that the Commission should recommend that the province continue to be responsible for those roads, but that still wouldn't deal with the question of what to do with the part of it that was still municipal cost, and we will have to take that one for discussion.

THE CHAIRMAN: Mr. Moffat, I would be glad if we could complete this chapter. May I ask then, have you any more questions? Or you? Or you? Now, then are there other questions from any quarter? Dr. Mayo?

DR. MAYO: No, sir.

THE CHAIRMAN: Now, I shall assume that this section of your evidence is complete, Mr. Moffat. Would you give us a preview of the chapters remaining?

A Well, the next one we had intended to do was the provincial grants question.

THE CHAIRMAN: The grants, yes.

A Which relates directly to this, and I have here two exhibits dealing with the position of Strathcona and Clover Bar, if the boundaries were changed in accordance with the proposal. Now, what I had in mind was to file those so that everybody would have a chance to look at them, and whether that should be discussed next, I am not too sure. That very well might be left to a little later, and we could possibly deal with the question of taking over the utilities and the attitude which the City wishes to express on that. Also the question of responsibility to the staffs of the existing municipalities which might be taken into the area. Now, that one I think is fairly short, but the utility one, there might be some fairly lengthy discussion, although I think the conclusion is, to a large extent acceptable to the people involved, is to go along with the proposals which were made by several of them already.

MR. DAVIES: Another point there, Mr. Moffat I would think that the Commissioners' secretary or someone as a matter of courtesy to the utilities involved should be notified

... I would be ...
... May I ask then ...
... Or you? Now, then ...
... from any quarter? Mr. Mayor?
No, sir.

Now, I shall assume that this section ...
... is complete, Mr. Mayor. Would you live ...
... of two ...

... question.
... The Grants, yes.
... directly to this, and I have here two ...
... with the position of ...
... boundaries were changed in accordance ...
... with the proposal. Now, what ...
... so that everybody would have a chance to ...
... and whether that should be discussed next, I am ...
... That very well might be left to a ...
... and we could possibly deal with the question ...
... over the utilities and the attitude which ...
... to express on that. Also the question of ...
... to the staffs of the existing ...
... taken into the deal. Now, ...
... live short, but the utility one, ...
... fairly lengthy discussion, as no ...
... to a

... would be ...

MR. DAVIES: (Cont.) of that in advance as to when the City was advancing its proposals.

A I would think those are the next three or four subjects, and I would have to check my notes to be sure that I haven't forgotten any more, or whether that would be the end.

THE CHAIRMAN: Then, if I understood you correctly, you are proposing to enter these exhibits this afternoon?

A Yes.

THE CHAIRMAN: In order that they may be read before the next sitting of the Commission?

A Yes.

THE CHAIRMAN: Mr. Garside, have you them there?

MR. GARSIDE: Yes.

THE CHAIRMAN: Well, let's have the title please? This will be 212E.

MR. GARSIDE: 212E will be the Financial Data regarding the Clover Bar School District, 1953 actual, 1954 actual, expenditures and revenue.

THE CHAIRMAN: That is the Clover Bar School Division?

MR. GARSIDE: Yes.

CLOVER BAR SCHOOL DISTRICT FINANCIAL
DATA -1953 ACTUAL - 1954 ACTUAL ,
IS ENTERED AND MARKED AS EXHIBIT 212E

THE CHAIRMAN: And then 213E?

MR. GARSIDE: Yes, sir. I will file that in a moment.

THE CHAIRMAN: There is no hurry, just complete your distribution.

MR. GARSIDE: 213E is the Strathcona Municipal District Financial Data showing 1953 Actual , 1954 Actual, and 1955 projected, Exhibit 188E assessment, expenditures and revenue.

1940

... would have to check my notes to see if I
... forgot any more, or whether I had
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... RISE will be in the
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- 5048 -

STRATHCONA MUNICIPAL DISTRICT
FINANCIAL DATA AS DESCRIBED
IS ENTERED AND MARKED AS
EXHIBIT 213E.

- A Now, if I could just make a short comment on these, the first page of each of them is simply a gathering together of material that is already on file in the various exhibits, and page 2, or Exhibit 212, the last column of it, the per student cost of 1954 of Clover Bar is the information that was given by Dr. Harries and corresponds exactly to what he gave on the transcript, and it is simply gathered together for convenience so that we can see it, and as a basis for the second page which is a calculation of what school costs are involved in the Clover Bar area based on the figure of \$200.00 per student, which also was suggested by Dr. Harries, and applied to the various estimates as to the number of students that are involved to get a total, and then that in turn allocated between Fort Saskatchewan and Strathcona to show how much of it falls as Strathcona's share. The other one then takes the same information with respect to Strathcona, collects together the various exhibits so that the information is convenient on the first page, and then on the second page applies the Clover Bar School material, and is an attempt to show how much would be available on the basis of a 46 mill rate. Now, I want to make it clear there is no suggestion that it should be 46, they can be anything that the council decides, but this is to show what would be available on the basis of 46 mills, and that is the relationship between the

EXHIBIT 133E
IS ENTERED AND MARKED
FINANCIAL DATA AS BEING
STANDARD AND MATERIAL

ago of each of them is shown

and corresponds exactly to what he has

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which is available on the

- 5049 -

A (Cont.) two exhibits.

THE CHAIRMAN: Mr. Moffat, may I ask you for your discussion on grants, shall we require any exhibits presently in our hands?

A There is nothing presently in your hands, no.

THE CHAIRMAN: All right, and have you the numbers of the exhibits that we shall need for discussions on utilities?

A There is nothing. It is straight expression of the policy that the City advocates.

THE CHAIRMAN: And so it won't be necessary for us to arm ourselves with various exhibits?

A Well, the only thing is that when we get into the utilities question, I don't know whether we might at the same time find ourselves involved in utility profit.

MR. DAVIES: No.

A And if we do, there is a substantial number of exhibits.

THE CHAIRMAN: Mr. Davies assures us that we are out of that --

MR. DAVIES: As far as I am concerned, Mr. Chairman, I plan on dealing with that, as one of the Commissioners here as a matter of determining the adequacy or inadequacy of the taxation base of the City at the present time, and dealing with provincial grants which is not particularly related to amalgamation.

THE CHAIRMAN: That's when Mr. Menzies appears.

A Or Mr. Tweddle, but in any case we won't be raising it, we will be dealing with the other question altogether.

THE CHAIRMAN: Then may I assume that the business of this sitting is complete. We are now adjourned until, and please do not forget, until Monday morning at 9:45 , and in another room.

(At this point the Commission was adjourned until Monday the 7th day of March, A.D. 1955 at 9:45a.m.)

- 1042 -

(Cont.) two exhibits.

THE CHAIRMAN: Mr. Moller, may I ask you for your discussion on Grants, shall we require any exhibits presently in our hands?

A: There is nothing presently in your hands, no.

THE CHAIRMAN: All right, and have you the numbers of the exhibits that we shall need for discussions on utilities?

A: There is nothing. It is straight expression of the

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it, we will be dealing with the other question altogether.

THE CHAIRMAN: Then may I assume that the business of this

sitting is complete. We are now adjourned until, and

please do not forget, until Monday morning at 9:15, and

in another room.

(At this point the Commission was adjourned until Monday the 7th)

